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# REPORT OF THE NEVADA LEGISLATIVE COUNSEL BUREAU

BULLETIN No. 20

## Nevada Legislative Counsel Bureau

JANUARY 1953

Carson City, Nevada

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# FOREWORD

The Nevada Legislative Counsel Bureau is a fact-finding organization designed to assist legislators, State officers, and citizens in obtaining the facts concerning the government of the State, proposed legislation, and matters vital to the welfare of the people. This office will always be non-partisan and non-political; it will not deal in propaganda, take part in any political campaign, nor endorse or oppose any candidates for public office.

The primary purpose of the Bureau is to assist citizens and officials in obtaining effective State government at a reasonable cost. The plan is to search out facts about government and to render unbiased interpretations of them. Its aim is to cooperate with public officials and to be helpful rather than critical. Your suggestions, comments, and criticisms will greatly aid in accomplishing the object for which we are all working -- the promotion of the welfare of the State of Nevada.

# REPORT OF THE NEVADA

# LEGISLATIVE COUNSEL BUREAU

## INTRODUCTION

Section 3, of chapter 102, Statutes of Nevada 1947, reads as follows:

> Sec. 3. It shall be the duty of thecounsel(a) to collect information concerning the state government and its cost, and matters pertaining to the general welfare of the State; (b) to examine the effects of previously enacted statutes; (c) to deal with important issues of public policy and questions of statewide interest; (d) to prepare a legislative program in the form of bills or otherwise, as in its opinion the welfare of the state may require, to be presented to the next session of the legislature; and (e) to establish and maintain in cooperation with the attorney general preceding any regular legislative session a bill-drafting service for the purpose of aiding and assisting members of the Legislature in the prep aration of bills, resolutions, and measures.

One of the several reasons for the creation of the Nevada Legislative Counsel Bureau was to provide the Legislature with information on the functions of offices, departments, institutions, and agencies of the State of Nevada and what they cost. In other words, where does the money come from, what is it spent for, and is the taxpayer getting his money's worth?

Mr. Frank Helmick, the late Legislative Counsel, in his report to the 1947 session of the Nevada Legislature,remarked as follows:

> Many of the state departments or agencies have a peculiar attitude toward the Legislature and the public they are supposed to serve. A session of the Legislature, to some departments, is something to be endured and to get over with as early as possible. If a department is able to wrangle more funds from the Legislature than is necessary, the feat is something to brag about to other and more unfortunate departments heads. And, if it can be done without laying the whole picture before the lawmakers, so much the better. There is little thought given by one department or institution to the needs of another, or of the possibility that, if one department's demands are met, funds must be taken away from another. It's everybody for himself and the devil take the hindmost. This lack of cooperation continues throughout the years, and only a few departments render any sort of aid to another. Many departments operate on the theory that only that information a department believes the Legislature, or taxpayer, should know should be given them, and if there are special funds available, or supluses remaining in operating funds, that is the business of the department involved and is of no concern to anyone else. *** One of the best means of curbing extravagance and waste in government is full publicity, and until the Legislature requires that the state officers and heads of departments, institutions, and agencies give a full accounting of their stewardship of the people's money, extravagance and waste will continue. ***

From the time when Nevada first became a state until 1945 when the Legislative Counsel Bureau was first created, the only contact that various state departments had with the Legislature occurred right during legislative sessions, when time is short, pressures are being exerted in all directions, and there is little opportunity to explain the complications of governmental management and finances to legislators, who for the most part, have only brief contact with the state's government once every two years. Your Legislative Counsel is

happy to report that in the great majority of cases he has received complete cooperation from every department and agency with which he has had contact. All the desired information relative to the finances and operation of the various state departments and agencies has been given willingly and to such extent as time has permitted, keeping in mind that the Legislative Counsel Bureau is a two-man agency, and has not the time nor the staff to cover these matters to the desired detail. There is need for a promotion of understanding between the departments and agencies of the executive branch of Nevada's government and the Legislature. Your Legislative Counsel feels that progress is being made in that direction, and that increased understanding between the two branches of Nevada's government will slowly but surely result in an improved and more efficient government.

As far as lack of cooperation between the state's various departments and agencies is concerned, it must be pointed out that it will always be difficult to achieve the desired cooperation because of loose organizational structure of Nevada's present governmental system. There are 123 state departments, boards, offices, agencies, and institutions in Nevada's government each one practically independent of every other one, and each going his own separate way. It is impossible to see the forest because of the trees; each department sees its own particular job, and over-all coordination is difficult to achieve because of Nevada's disjointed governmental system. Functional departmentalization along with centralized and definite lines of responsibility would go far towards achieving better governmental management.

The President's Committee on Administrative Management in its report entitle, "Administrative Management in the Government of the United States," clearly sets forth the basic purpose of any governmental reorganization:

> In proceeding to the reorganization of the government, it is important to keep prominently before us the ends of reorganization. Too close a view of machinery must not cut off from sight the true purpose of efficient management. Economy is not the only objective, though reorganization is the first step to saving; the elimination of duplication and contradictory policies is not the only objective, though this will follow; a simple and symmetrical organization is not the only objective, though the new organization will be simple and symmetrical; higher salaries and better jobs are not the only objectives, though these are necessary; better business methods and fiscal controls are not the only objectives, though these, too, are demanded. There is but one grand purpose, namely, to make democracy work today in our national government; that is, to make our government an up-to-date, efficient, and effective instrument for carrying out the will of the nation. It is for this purpose that the government needs thoroughly modern tools of management.

In 1924 the State Survey Commission employed the New York Bureau of Municipal Research to do a study on the organization and management of the government of the State of Nevada. Although this survey, was conducted by perhaps the most eminent administrative analyst in the field of state government, A. E. Buck, none of the recommendations made therein ever became law. The following is a significant quotation from that study:

> It has long been apparent to the state officials, to members of the Legislature, and to citizens generally, that the organization of the state government of Nevada, simple enough at the start, has become an unwieldy and inefficient governmental machine through the additions from time to time of new duties and functions to various offices, and through the creation of a large number of boards and commissions. Constitutional offices created for specific purposes have been compelled by Legislative enactment to take on new duties which have no logical relation to their prime purpose and for whose efficient administration these offices had no special qualifications. The small taxable wealth of the state and the consequent paucity of public revenue precluded the use of the methods employed in wealthier states of creating new offices and commissions for all the new governmental functions which the state was gradually assuming. The result has been that the Legislature from time to time placed new duties and functions on offices already existing and created numerous boards whose ex officio members were already in the employment of the state. New commissions with salaried officials were also

created. The final result of this perfectly natural though makeshift policy of the Legislature was state government consisting not only of the constitutional elective offices in the administrative departments, but of a bewildering array of boards and commissions and appointive officers.

This quotation from the 1924 study is still applicable today. Its criticism of unwieldy structure is mild in view of the increasing acuteness of the problem caused by 28 years of growth and inaction. The state itself has grown in a rapid but haphazard fashion, and the administrative structure has followed suit. As the complexity of government increases, more formal machinery becomes necessary to handle matters which at one time could be satisfactorily dealt with informally. Further, as the complexity of government increases, a loosely knit administrative structure becomes progressively more inefficient. This is the case in Nevada today.

In 1948, Mr. Albert Gorvine compiled a study for the Nevada Legislative Counsel Bureau entitled, "Administrative Reorganization for Effective Government Management in Nevada," setting forth numerous proposals for reorganization and consolidation of various state departments and agencies. Students of government in Nevada recognize that the 1949 Nevada Legislature enacted more good and constructive legislation on government management than any legislature in Nevada's history, and in doing so, it enacted into law a goodly number of recommendations made in the well-known Gorvine report. The Gorvine report recommendations enacted into law were: (1) consolidation of the administration of various state highway revenue-producing Acts, commonly known as the "Motor Vehicle Consolidation Law," (2) the enactment of a powerful budget control law, (3) the abolition of the office of the State Auditor and the creation of the office of Legislative Auditor, thus placing the post-audit function in the legislative branch, (4) the reorganization of the State Welfare Department, (5) the reorganiation of the Nevada State Library, and (6) reorganzation of the Department of Buildings and Grounds. Parallel recommendations on these six matters were made by the Legislative Counsel Bureau to the 1949 Nevada Legislature.

The Gorvine report sets a general pattern of reorganization and consolidation in the government of the State of Nevada. As slow and careful study is made of the various state departments, institutions, and agencies, the need for various changes and reorganizations will become apparent and proven, and while the finally recommended form of such changes and reorganizations may differ from specific recommendations in the Gorvine report, the general pattern set forth in the report provides an adequate guide. Slow and careful reorganizational studies not only mean that the job will be done with minimum survey expenditures, but that the facts relative thereto may be completely and accurately compiled. In addition, it enables the people and legislators to become familiar with the problems involved. It should also be noted that while such surveys are being made, the Legislative Counsel Bureau will continue to gather facts and information on the various phases of government and various public problems, and will compile great quantities of financial information relative to the various State department, institutions, and agencies.

The Nevada Legislative Counsel Bureau made 92 separate and distinct recommendations to the 1951 Nevada Legislature that were possible of enactment into law, and of this number 72 were enacted and are in full force and effect at this time.

## RECOMMENDATIONS

The following recommendations adopted by the Legislative Counsel Bureau for presentation to the 1951 Session of the Nevada Legislature are not necessarily placed in the order of their importance.

### (1) Personnel

That an adequate and comprehensive personnel system be created, with provision for uniform job and salary classifications, and for the selection of employees on the basis of merit. Mr. Albert Gorvine, in his report entitled, "Administrative Reorganization for Effective Government Management in Nevada," devoted all of chapter IV in the report to the advantages of an adequate, well-engineered merit system as applied to State departments, agencies, and institutions. Sixteen pages of chapter IV cover the problem completely in Nevada. There is no doubt of the need for uniform job and salary classifications; people doing approximately the same work should receive approximately the same pay. The absence of any method of achieving such

uniformity has lowered the morale of State employees, resulted in some unrest and dissatisfaction, and promoted a listless "who cares" attitude on the part of various employees, all of which results in loss to the state and to the taxpayers.

Great strides can be made toward the solution of this problem by the creation of uniform job and classification system under the guidance of a qualified director of personnel. But it appears that, while we are at it, we might as well make an effort to obtain more capable personnel also. The fact that a Public Employees' Retirement System was set up in 1947 means that a system of employment promoting some permanence of tenure is necessary if the retirement system is to be of value to very many employees. There is no doubt that employee turn-over has been high in most departments through the years. On the other hand, it should be carefully noted that a properly engineered merit system does not set up a "super-government" within the government--that once employees are "in" they cannot be removed. For instance, if an employee cannot fit into the operation of a department, cannot cooperate with the officer in charge, or is a disturbing influence, those things are grounds for dismissal, and, as long as such things are true and factual, there is no question of the properly engineered merit system preventing such dismissal. At the present time 20 states have comprehensive civil service programs, and in the remaining 28, including Nevada, merit systems are in operation which cover at least those employees engaged in federal-state public assistance and employment security programs. There must be a reason for all this. While it may take some 10 or even 20 years for all the advantages of a state-wide merit system to appear, since it will be necessary to "blanket in" all present employees who have been employed by the state two years or more, it appears that we ought to start now. During the fiscal year 1951-1952 the government of the State of Nevada actually expended $30,182,343, and it employed at various times between 1,500 and 1,900 employees. Many private businesses operating on a far smaller scale and having far fewer employees have comprehensive personnel programs, and if that is the case in private business it should be the case in a government as large as the State of Nevada's. For instance, the city of Reno has a personnel system providing uniform job and salary classifications and providing for the selection of employees on the basis of merit. The proposed general personnel system does not duplicate the present merit system, but rather consolidates the two, and repeals the law creating a merit system for the three State departments dependent wholly or partially upon federal funds at the present time. The proposed bill provides a method of financing whereby each department, agency, or institution will pay a pro rata share of the administrative cost depending upon the number of their employees in the classified service. This means that a large amount of federal money will be contributed to the cost of administration, as well as money from special earmarked funds such as funds under the control of the Department of Highways. The share to be borne by the agencies supported by legislative appropriation from the General Fund will cost approximately $7,500 a year. Hence, a legislative appropriation of $15,00 for each biennium will be necessary. In addition, it will be necessary for the Legislature to create a $10,000 working fund at the beginning, to operate as a pool into which contributions from the departments and agencies may be deposited, and from which expenditures can be made. The director would be in the classified service, and would be selected by competitive examination under the provisions of the personnel system.

During the current biennium, the personnel bill has been given intensive study by a group composed of representatives from the Nevada Highway Employees' Association, the Employment Security Department, the State Welfare Department, the State Department of Health, the Nevada Motor Transport Association, the Nevada Taxpayers' Association, the Legislative Counsel Bureau, and the Governor's Office. After many meetings and intensive discussion, complete agreement on all details of the bill was reached, and it is recommended that this new bill be enacted into law by the 1953 Session of the Nevada Legislature. This bill is the result of five years of intensive study, and it is doubtful that a better bill could be devised to meet the the needs and personnel problems of Nevada's government.

(2) School of Industry

That a new law be enacted concerning the organization and administration of the Nevada School of Industry. The present law governing the administration of the Nevada School of Industry was enacted in 1913, and has never been amended except as to the salary of the superintendent. The present law is rather brief, the duties of the superintendent are poorly defined, there are no provisions having to do with the various funds that must be maintained in order for the school to operate properly; in short, the present law does not realisticly provide for the government of the school in the light of modern needs and conditions. A new modern

act covering these various matters will provide the proper powers and duties needed by the superintendent for the proper and efficient administration of the school.

(3) Special Tax for Support of Schools and University of Nevada

That Section 6 of Article XI of the Constitution of the State of Nevada be amended so as to provide that legislative support and maintenance of the University of Nevada and the schools of the state shall be by legislative appropriation only, and eliminate the requirement of a special tax. Senate Joint Resolution No. 3 making such an amendment was passed by the 1951 Session of the Nevada Legislature, and will be presented again by the Secretary of State for consideration by the 1953 Session.

Section 6 of Article XI of the Constitution of the State of Nevada reads as follows:

> Sec. 6. The legislature shall provide a special tax in addition to the other means provided for the support and maintenance of said university and common schools."

As originally drawn in 1864, Section 6 provided that the Legislature shall provide a special tax of one-half of one mill on the dollar of all taxable property in the state. In 1938, the section was amended to its present form.

In 1947, the Nevada Legislature passed a new school code, and appropriated $3,700,000 for state aid to elementary and high schools in accordance with the requirements of the apportionment formulas set forth in the school code. The 1949 Nevada Legislature appropriated $4,660,300, and the 1951 Nevada Legislature appropriated $4,808,000 for the same purposes. Due to the very large amount necessary, along with the fact that portions of the property tax were earmarked by law for other purposes, it was found impossible to provide the entire amount of state aid in the form of a property tax, and it was necessary to provide the entire amount by direct appropriation from the General Fund which receives its revenues from many sources. Apparently through oversight, the Legislature did not provide even a token tax on property in order to comply with the requirements of Section 6 of Article XI.

The 1949 Nevada Legislature amended the law relative to state support for the University of Nevada, and provided that the University shall be supported by direct appropriation from the General Fund. However, in order to comply with the requirements of Section 6 of Article XI, it also earmarked one cent of the State's share of the property tax for the use of the University of Nevada. When state departments, institutions, or programs operate on an earmarked portion of the state property tax, the results are two-fold: when property valuations increase, as they have been doing in late years, the tax rate produces more money for the operation of the departments, institutions, or programs than the Legislature can safely contemplate, and thereby making their budget meaningless to just that extent. When property valuations decrease, as has happened in a number of times in the past, the agencies are hamstrung in their operations. The state departments, institutions, and programs should then state their needs to the Legislature in the form of properly prepared budgets and proper cushions for emergencies, and, if satisfied, the Legislature can directly appropriate in accordance therewith. Almost all of the state departments and agencies are supported at the present time by direct appropriation, and the Legislature knows exactly what it is appropriating and the agencies know exactly what they are receiving. Consequently, it is receommended that Section 6 of Article XI be amended to do away with the requirement for a special tax, and that the schools of the state and the University of Nevada be given state support in the form of legislative appropriation only.

(4) Surveyor General

That Sections 19 and 22 of Article V of the Constitution of the State of Nevada be amended so that the office of the Surveyor General no longer be a constitutional office. Assembly Joint Resolutions Nos. 1 and 2 making such amendments were passed by the 1951 Session of the Nevada Legislature, and willbe presented again by the Secretary of State for consideration by the 1953 Session.

Mr. Albert Gorvine, in his study entitled "Administrative Reorganization for Effective Government Management in Nevada," remarks as follows:

"The Surveyor General is today the least important of the major constitutional officers. His functions are the administration of land grant statutes, the maintenance of land ownership records, and the settlement of county boundary disputes. As State Forester Fire Warden, he also cooperates with the Forestry Division of the United States government. In the early days of Nevada, the Surveyor General had much greater responsibility, namely, that of parceling out and selling state lands. Since, at present, there is little desirable state land available for distribution, this once important function of the Surveyor General's office is now virtually eliminated. As a result, the Legislature has charged him with the duty of fire control. He is also a member of the Board of Control, the Commission of Industry, Agriculture, and Irrigation, and the Board of Fire Control."

The Gorvine Report goes on to recommend the creation of a new Department of Conservation and Economic Development, with the State Engineer designated as the Director of the new department. The Gorvine Report further remarks:

"The office of the Surveyor General remains as presently constituted, but will be required to work closely with the new Department of Conservation and Economic Development. Because this official is independent and no qualifications can be set for this office under the Constitution, it was deemed unwise to consolidate this office with the Department of Conservation and Economic Development."

It appears that at the very least, the functions of this office could be transferred to the office of the State Engineer, and the salaries of at least one and possibly two officers and employees eliminated. But nothing can be done until the Constitution is amended, and that procedure requires passage of a joint resolution by two consecutive regular sesss ons of the Legislature, and then approval by the people at the next general election. This means that such a constitutional amendment would not be effective until November 1954 at the earliest. The office operates under the authority of a number of statutes as well as a constitutional provision. It would be unwise to enact statutes abolishing the office until constitutional limitations are eliminated; there is many a slip between the cup and the lip. There is nothing to prevent the transference of statutory functions, but the savings would not be too large until the position itself is abolished. The Legislature might devote some attention to eliminating a number of other positions from the Constitution, also.

(5) Financial Statements

That Section 19 of Article IV of the Constitution of the State of Nevada be amended so as to eliminate the requirement that receipts and expenditures of the public money be published with the session laws, since such information is contained in the annual pamphlets of the State Treasurer and State Controller. Senate Joint Resolution No. 2 making such an amendment was passed by the 1951 Session of the Nevada Legislature, and will be presented again by the Secretary of State for consideration by the 1953 Session. Under the present provision, two annual reports of the State Treasurer are included in each issue of the "Statutes of Nevada." This means additional paper and expense added to the cost of printing the Statutes, and should be eliminated. The annual pamphlet reports of the State Treasurer and State Controller are issued many months before the volumes of Statutes are distributed, and including the Treasurer's report in the volumes serves no useful purpose.

(6) Limitations on Length of Session

That Section 29 of Article IV of the Constitution of the State of Nevada be repealed, thereby eliminating the 60 day limitation on regular sessions of the Legislature, and the 20 day limiation on special sessions. The Legislature of the State of Nevada has long been troubled by a mass of legislation during the last two weeks of its limited session, and the last few days produce a peak of business that sorely tries the tempers and the legislative abilities of the members. There is no time for adequate consideration of worthy legislation, and poor legislation may be jammed through with sheer exhaustion stifling opposition. No legislator can remember

when a legislature actually adjourned within the constitutional limit of 60 days; instead the clock is stopped and the Legislature works several days under the date of the sixtieth day. In other words, the provisions of the Constitution are circumvented by a subterfuge and it is not inconceivable that at some time in the future, when the validity of extremely important legislation is at stake, interested parties may test its constitutionality on the grounds that it was passed after the 60 day limit. It would not be difficult to present witnesses and publish evidence to that effect. While the courts could hardly declare a law unconstitutional on such grounds without throwing a large portion of the statutory structure of the State in jeopardy, the dignity and integrity of the Legislature and the courts would be lessened in the eyes of clear-thinking citizens, and soon the demand would be made for a real, workable solution of the problem. Every constitution must be interpreted from time to time, but there should be no circumvention of its provisions by trickery and subterfuge. Last year, the Supreme Court of the State of South Carolina held that a statute passed after the 60 day limit was reached was unconstitutional even though the clock was stopped, thus setting a precedent of considerable importance.

When the constitution was framed in 1864, it was felt that there should be a limit on the length of a session, as the salary paid to legislators (subsequently set at eight dollars a day for such an honored and esteemed office) was deemed to be a temptation to legislators to prolong the session and dillydally at the Capitol at the expense of the state. So the convention at Carson City inserted Section 29 in the Constitution. Buy why not limit the salaries and costs of sessions without limiting the duration of the sessions? The important thing is that the state gets full value for money expended, and waste be eliminated. The 60 day limit on regular sessions, and the 20 day limit on special sessions, should be removed and the members paid a specified sum for regular sessions and special sessions. The present law provides that members shall receive $15.00 per day with a maximum amount of $900 per session. In other words, members are paid that sum per session during the term for which they are elected, at the rate of $15 per day, payable weekly during the session, until the full $900 is paid. After that no more compensation would be paid regardless of how long the Legislature is in session. The law, as it stands now, is fairly adequate except that the word regular should be inserted before the word session in line 6. The reason for that now becomes apparent.

Section 29 of the Constitution limits special sessions to 20 days. The reasoning that would eliminate a 60 day limitation on regular sessions also applies to the 20 days limitation on special sessions. As the law now stands (Statutes of 1945, Chapter 161, page 250) the 20 day limitation would allow members to get $300 at the most for a special session. It follows then that if the constitutional limiation on special sessions is removed, a further amendment should be made to Chapter 161, Section 1, by inserting after the word "sessions" in line 6, the following words: "and $300 at any special sessions."

With the above amendments to Chapter 161, the principal reasons for limitations on the duration of sessions are removed because the cost is still under control of law just as much as before. The Legislature could raise its salary, of course, but it can do that under the present law, and the amount that it votes itself at the present time has nothing to do with the duration of its session. Section 33 of the Constitution adds still another restraint: "****but no increase of such compensation shall take effect during the term for which the members of either house shall have been elected."

The same holds true for employees of the Legislature. At the present time, employees are paid for each day that they work, and that includes each day over 20 or 60 that the Legislature actually is in special or regular session, respectively. Hence, we find the anomaly, peculiar to Nevada, of session limitations specified by the Constitution, and still employees are being paid for actual session work accomplished after said limitations have been reached. The records of the Controller, over a period of many years, will verify this statement. In other words, employees are paid for their work by the day whether there are constitutional limitations on the length of sessions or not. The removal of such limitations would not increase the employee costs of any given session.

(7) Annual Sessions

That Section 2 of Article IV of the Constitution of the State of Nevada be amended so as to provide for annual sessions of the Legislature. In the early 1940's only four states (New Jersey, New York, Rhode Island, and South Carolina) had annual sessions, and South Carolina considered going to biennial sessions, but did not do so. Massachusetts, after dropping annual sessions in 1938, restored them in 1944. California and Maryland have since provided for a limited off-year session. In addition, three other states (Arizona, Colorado, and

Nebraska) are voting on annual session proposals. In a few other states, annual budgets are reported to have been adopted, indicating some provision is being made for an off-year session. Although most of the states provide biennial sessions for their legislatures, there has been considerable discussion in legislative circles, especially in recent years, as to the advisability of annual sessions. One factor leading to this interest in annual sessions has been the increase in legislative business and the complexity of the social and economic problems with which the modern legislature must deal. With the large number of activities now carried on by modern government, it is difficult to plan two years in advance. This is especially so in preparing the state budget. With annual sessions, laws may be more quickly repealed or more speedily remodified. Problems which require legislative consideration do not arise biennially, but continously , and if the legislature is not available, the problem must wait. Legislatures cannot properly fulfill their important functions without adequate time to dispose of the public questions before them. The volume and complexity of legislative business has constantly increased, and constitutional or statutory measures which prevent the legislature from fulfilling its proper function cannot be held to be in the public interest, however appropriate the restrictions may have been when originally adopted. The functions of the legislature as a board of directors of the State cannot be fully and satisfactorily discharged on a part time biennial basis. The Committee on Legislative Prosesses and Procedures of the Council of State Governments in its report, "Our State Legislatures" (revised edition, 1948), summarized the problem as follows:

> "The legislative task is essentially the determination of broad policies in a clear and decisive way; authorization of organization, personnel, powers, and finances adequate to administer its policies; and review of the effectiveness of those policies and of their administration."

The full discharge of these responsibilities clearly requires more frequent sessions than those now provided, without crippling limitations on duration or on legislative salaries.

Forecasting state revenues for a period of well over two years into the future, and relating appropriations to these estimates and to administrative programs for a similar period is obviously difficult. Departments must estimate their financial needs and revenue as much as twenty-seven to thirty months in advance, and appropriations must be made at least twenty-four months before the last of the money is to be spent. It is not surprising that there are inaccuracies -- revenue may be underestimated and expenditure needs overestimated, or vice versa, or changes in economic conditions may destroy the validity of the most careful revenue and expenditure estimates. The nearer in time the estimates are to the expenditures the more accurate they are likely to be.

In 1936 A. E. Buck of the National Institute of Public Administration, an international authority on public budgeting, in "Modernizing our State Legislatures," said:

> "The inevitable necessity of budgeting with the greatest possible accuracy makes annual sessions indispensable. The attempt to budget state requirements over a period of two years, under conditions such as we have recently experienced (depression), is little short of a farce. Once a year is certainly not too often for state government to review its financial plan and to vote its budget."

In recent years there have been excess balances in the General Fund. This means that considerable revenue has been extracted from the pockets of the tax payers, and is sitting idle in the state treasury. It is a settled principle of financial management in government that all money should be put to beneficial use, or otherwise taxes and revenues should be reduced. Nothing can be done about such a matter during the two year interval between regular sessions of the Nevada Legislature; annual sessions would cut in half such periods of inability to adjust revenues to the needed expenditure programs.

The proposition has been expressed many times that the Legislature should have the power to confirm various appointments and removals of personnel. Such a function cannot be lodged in the Nevada Legislature because of the large period of time between the regular sessions; in many cases, confirmations would be made almost a full two years after the appointments, thereby rendering the function ineffective.

In the state of Idaho regular sessions of the legislature are limited by the state constitution to 60 days, just as in Nevada. The 1949 session of the Idaho legislature made appropriations for only one year. Thus, in

order that the state departments might have appropriations for the second year of the biennium, it was necessary for the governor to call the legislature into special session. This practice, if continued, will bring Idaho to an annual legislative session without any constitutional change.

(8) Term of Office of the Superintendent of Public Instruction

That Section 1 of Article XI of the Constitution of the State of Nevada be amended so as to clarify the wording relating to the term of office of the Superintendent of Public Instruction, and to clearly provide that the term of said officer shall be four years. The present wording of Section 1 of Article XI may be interpreted easily to mean that the term of the Superintendent of Public Instruction shall be two years. For many years this officer has been elected for four year terms, just as other state elected officers, and this procedure has been supported by an opinion of the Attorney General submitted a goodly number of years ago. However, it would seem desirable to clarify the wording of the section and eliminate all doubt concerning its meaning.

(9) Taxation of Lands or Property Belonging to the United States

That the Ordinance of the Constitution of the State of Nevada be amended so as to eliminate the provision that no taxes shall be imposed by the State of Nevada on lands or property belonging to the United States. Examination of county auditors' reports for the fiscal year 1951-1952 reveals that property owned by the United States government with an assessed valuation of $78,872,518 is exempt from taxation in the State of Nevada. Federal laws allow the states to tax certain types of federal property, but the State of Nevada is unable to take advantage of such provisions due to the prohibition contained in the Ordinance of the Constitution of the State of Nevada. Elimination of this prohibition will allow certain types of federal property to be subject to a property tax.

(10) Percentage of Collections for Administration-Motor Vehicle Fuel Tax

That Sections 6570.03 and 6570.09, Nevada Compiled Laws, 1931-1941 Supplement, being Sections 3 and 9 of the Motor Vehicle Fuel Tax Law, be amended so as to eliminate the provision that five per cent of the collections shall be available to meet the cost of administration of this act, and that funds for the administration of the provisions of this act shall be provided by direct legislative appropriation from the highway fund, upon presentation of budgets in the manner required by law. Good government and sound financial practice demands that the legislature exercise supervision over the expenditures of as many state agencies as possible. While the State Budget Act of 1949 requires that the Nevada Tax Commission submit budgets to the Legislature for the various phases of their biennial operations, and that their expenditures be in accordance with such budgets as approved by the Legislature, it is recommended that all collections under the Motor Vehicle Fuel Tax Law revert entirely to the highway fund, and that funds for the administration of the act shall be provided by direct legislative appropriation from the highway fund, in the same manner as the appropriations made from the highway fund for the administration of the various divisions consolidated under the authority of the Public Service Commission by the Motor Vehicle Consolidation Law. It appears desirable that the cost of the administration and collection of the Motor Vehicle Fuel Tax should be handled in the same manner as the cost of administration and collection of the cigarette tax and the liquor tax, which were placed on a direct appropriation basis in 1949 on a level with all other state departments and agencies.

(11) Percentage of Collections for Administration--Use Fuel Tax

That Sections 6570.42, Nevada Compiled Laws, 1931-1941 Supplement, being Section 23 of the Use Fuel Tax Law, be amended so as to eliminate the provision that five percent of the collections shall be available to meet the cost of administration of the act, and that funds for the administration of the provisions of this act shall be provided by direct legislative appropriation from the highway fund, upon the presentation of budgets in the manner required by law. The recommendation is based upon the same premises as the previous recommendation; the legislative appropriation must be made from the highway fund since Section 5 of Article XI of the Constitution of the State of Nevada provides that the proceeds from motor vehicle licenses and taxes from motor vehicle fuel shall be used exclusively for the construction, maintenance, and administration of highways.

(12) Industrial Insurance Contributions

That Chapter 46, Statutes of Nevada 1951, be reenacted, said chapter being an amendment to Section 77 (d) of the Nevada Industrial Insurance Act and providing that each state department, agency, and institution shall pay industrial insurance out of its own funds, whether appropriated or otherwise, on claims payable directly to the Nevada Industrial Commission, and thereby eliminating the blanket appropriation for that purpose which existed for so long in the General Appropriation Act. After the 1951 Session of the Nevada Legislature enacted the said Chapter 46, another subsequent act was passed through error which returned the wording of Section 77 (d) to its old form. The 1951 Nevada Legislature, not knowing that Chapter 46 had been superseded, appropriated funds for each state department, agency, and institution in their own separate appropriations in the General Appropriation Act for the purpose of paying their own industrial insurance. There was no blanket appropriation in the General Appropriation Act of 1951 for the purpose. Consequently, the various state departments, agencies, and institutions find themselves paying industrial insurance out of their own appropriations directly to the Nevada Industrial Commission but contrary to the provisions of a statute enacted at a date later than the date of the enactment of Chapter 46.

Recommendation No. 34 of the "Report of the Legislative Counsel Bureau," to the 1951 Session of the Nevada Legislature, read as follows:

> "The blanket appropriation in the General Appropriation Act is designed to pay the industrial insurance contributions to the Nevada Industrial Commission from the various state departments, institutions, and agencies that are supported by General Fund appropriations. Other departments and agencies pay their own contributions from their own separate, ear-marked, or continuing funds. This results in a disjointed system; the Nevada Industrial Commission directly contacts the state departments and agencies that pay from their own funds, but in the case of agencies supported by General Fund appropriations, it has no direct contact with them, and must work out the proposition with the State Controller. Two weeks out of each year are devoted by the Deputy State Controller to the working out of industrial insurance contributions from the General Fund agencies. He should be relieved of this duty, and the General Fund agencies do their own work on this matter. The Nevada Industrial Commission had indicated that it prefers to contact each state department and agency separately and directly. It is also to be noted that good cost accounting analysis of the various state departments and agencies demands that each one pay its own contributions, and that such expenditures be charged against their own operations."

(13) General Appropriation Act

That the General Appropriation Act be the last measure passed by the Nevada Legislature for the Session, and that it contain all the appropriations for all purposes from all sources, and thereby enable legislators and the people to obtain an over-all view of the cost of the proposed spending programs. In 1949, two-thirds of the total number of laws enacted were enacted after the General Appropriation Act was passed, and this resulted in considerable confusion in the state government. The State Budget Act of 1949 provides that the proposed Budget Bill be printed in the executive budget document, and it can be changed and discussed by the finance committees in the houses without actual introduction in the Legislature until near the end of the Session, when some semblance of agreement on the appropriations may be reached. This procedure eliminates the very cumbersome amendment procedure that has always been necessary in the past because the bill was introduced in its very preliminary form. While an omnibus appropriation measure has not worked well in the Congress of the United States, due to the huge number and size of the appropriations, it is very feasible and desirable in an operation of the size that exists in the State of Nevada. If the actual introduction of the bill is delayed until near the end of the Session, it would be a very simple matter for the Director of the Budget, or other officials concerned with state finances, to get all of the desired appropriations into the General Appropriation Act.

(14) Automobile for the Governor's Office

That sufficient funds be appropriated to the equipment budget for the office of the Governor so as to enable the purchase of an automobile for the Governor, and that a certain Lincoln sedan be obtained from the Department of Highways for this purpose at trade-in value. As indicated in Legislative Counsel Bureau Bulletin No. 12, entitled "A Survey of State Owned Automobiles in Nevada," it is cheaper for the state to provide an automobile for any state officer or employee who travels in excess of 14,000 miles per year on state business. The Governor should have an autombile commensurate with the dignity and duties of his position.

(15) Membership of the State Planning Board

That the State Engineer and the State Highway Engineer be relieved of their duties as members of the State Planning Board, and that the membership of the State Planning Board be reduced from eleven to nine thereby, since these two officials are heavily overloaded with the work of their own departments.

(16) Nevada State Fair of Industry Show Board

That the law creating the Nevada State Fair of Industry Show Board be repealed. The Nevada State Fair of Industry Show Board was created in 1947, the three members are appointed by the Governor, and the members must all be residents of White Pine County. No funds have been appropriated by the Legislature for the use of the board since the year of its creation. The law requires the board to hold a state industrial show at Ely in conjunction with the White Pine County Fair. When money was appropriated to the board, it only turned over such appropriated funds to the White Pine County Agricultural Association, which was managing the White Pine County Fair. It is completely unnecessary to have a special state board merely for the purpose of turning over appropriated funds to a county or an agricultural association for the purpose of conducting a fair. Counties and agricultural associations are public agencies existing by authority of law, and whenever the legislature desires to provide financial assistance for the purpose of conduting a local fair, it may appropriate funds for such purpose directly to a county or an agricultural association. Boards that are not operating, or not serving a particularly useful purpose, should be eliminated in order to gradually eliminate the loose ends of the governmental structure.

(17) Nevada State Livestock Show Board

That the law creating the Nevada State Livestock Show Board be repealed. The Nevada State Livestock Show Board was created in 1929, the members are appointed by the Governor, one of whom must be the head of the Department of Animal Husbandry at the University of Nevada, and the other two members must be residents of Elko County. This board is required to hold a State Livestock Show at Elko in conjunction with the Elko County Fair. The Nevada State Livestock Show Board is in exactly the same position as the Nevada State Fair of Industry Show Board, and it is unnecessary to have this board for the purpose of turning over appropriated funds to a county or an agricultural association for the purpose of conducting a fair, when the money can be appropriated directly to the county or the agricultural association. This board should be eliminated from the statutes.

(18) Rabies Commission

That the law creating the State Rabies Commission be repealed. The State Rabies Commission was created in 1923, with the Governor, the Director of the State Veterinary Control Service, the Director of the State Hygienic Laboratory, and one member each of the State Board of Stock Commissioners and the State Board of Sheep Commissioners, as members. The board has not functioned for many years, nor have funds been appropriated for its use, and it appears that the act should be repealed merely to eliminate the loose ends of the governmental structure. The board was created for the control and eradication of rabies and predatory and noxious animals, but it appears that rabies is a very minor problem at this time in the State of Nevada, and its control along with predatory animal control can be properly handled by the presently existing Department of Agriculture if sufficient funds are made available.

(19) Board of Compromise and Adjustments

That the law creating the Board of Compromise and Adjustments be repealed. The Board of Compromise and Adjustments was created in 1928, and its membership consists of four senators, four assemblymen, and a ninth member to be selected by the other members of the board. The board was created to hear, consider, and determine claims of indebtedness, liability, or obligation of or to the State of Nevada. As far as anyone can remember, the board has never functioned and the legislature has never appointed its members. There are provisions elsewhere in the law requiring the State Board of Examiners to hear such claims, and it appears that the Board of Compromise and Adjustments should be eliminated from the statutes.

(20) Public Service Board

That Section 2 of the law creating the Public Service Commission, being Chapter 26, Statutes of Nevada 1947, be amended so as to eliminate the Public Service Board which appoints two members of the Public Service Commission, and that the Governor be authorized to appoint the said two members of the Commission. The present law creating the Public Service Commission was enacted in 1919. Under the provisions of the original act, the State Engineer is an ex officio member of the Public Service Commission, and the other two commissioners were appointed by the Public Service Board which consisted of the Governor, the Lieutenant Governor, and the Attorney General. In 1947, the law was amended so as to substitute the State Treasurer for the Attorney General as a member of the Public Service Board.

The President of the United States possesses all the executive power of the national government; he appoints the administrative officers, including heads of departments; he supervises their work to the extent that time and inclination permits; and he dismisses them at his pleasure. Thus the President wields a tremendous influence over the conduct of national affairs. In contrast with the President, the Governor of a state finds the scope of his executive power narrowly restricted. He is commonly forced to share control over state administration with a number of other officials who, like himself, are popularly chosen. These officers are not responsible to the Governor. They owe him no debt of gratitude for their selection, and they have no fear that he will remove them since their tenure of office is fixed by the Constitution of the State of Nevada. Occasionally they cooperate with the Governor for the sake of party harmony or administrative efficiency, but sometimes they disregard his wishes, and he has no way of compelling obedience.

In recent years, in most states including Nevada, the appointing power of the Governor has been materially increased. A large number of additional departments, boards, and commissions have been created, and the power to fill these offices has usually been vested in the Governor. New activities of state government have led to the creation of new state agencies, so that the list of offices filled by appointment by the Governor is usually quite long.

As far as appointive administrative officers are concerned, the removal power of the Governor is limited in many cases, and this is one of the chief causes of his inability to control state administration. Lacking any effective means of getting rid of ineffective or disloyal subordinates, he must necessarily accept their half-hearted service. So restricted are the administrative powers of the Governor that he cannot fairly be held responsible for the management of state affairs. Except in the few states that have thoroughly overhauled their administrative organization, only a part of the administrative machinery lies within his control. The remainder is under the direction of independent or semi-independent boards, commissions, and individuals. The inevitable results of such hydra-headed administration are lack of cooperation, wasteful duplication, neglect or omission of necessary services - in a word, inefficiency; and also divided responsibility which makes it virtually impossible to fix the blame for unsatisfactory conditions. The natural tendency is to hold the Governor responsible when things go wrong. He is declared by the Constitution of the State of Nevada to be the chief executive of the state; he is the head of the government in name if not in fact. Uninformed persons consider him virtually omnipotent, and expect him to control matters that lie entirely beyond the scope of his authority. The Governor has the responsibility, but not the authority; his is the kingdon and the glory, but not the power. While such conditions exist, it is unreasonable to expect efficient state administration. Evasion of responsibility is too easy.

The only satisfactory solution of the problem is to concentrate control over state administration in the hands of the Governor. He should be permitted to select his subordinates without interference, to supervise them in his own way, and to dismiss them at will. Various elected officials who are chosen directly by the people should be brought within the scope of his appointing power. Any requirement of legislative confirmation,

even for important appointments, should not be considered. The Governor would then possess the executive power of the state, and not merely an emasculated portion of that power. He would be in a position to produce results. And, should he fail, there would be no valid excuse. He could not shift the blame to others.

It is an axiom of government that authority and responsibility go hand in hand. When authority is divided among many persons, responsibility is similarly diffused. It cannot be otherwise. But concentration of authority makes possible concentration of responsibility. A Governor who has been given complete control over his state's administrative affairs can fairly claim the credit for satisfactory results; conversely, he must accept the blame for slip-shod administration. Within the last thirty-five years, several states have accepted to a considerable extent the principal of concentrated responsibility and have vested a large measure of executive authority in the hands of the Governor. In these states, the number of elected administrative officers has been greatly reduced, and the Governor's appointing power has been correspondingly broadened. Boards and commissions that formerly enjoyed virtual independence have been placed under his effective control.

A modern state government now has complete or partial responsibility for many functions and activities in many fields. Today, the imperative need in state government is for action. Any doctrine or formula that breeds delay must be discarded. Authority must be concentrated in the Governor, for in no other way can results be obtained. It is useless to argue that concentration of power may lead to abuse of power. That danger will always exist, but it is far less serious than the danger of inaction. The only satisfactory remedy for abuse of power by the Governor is an aroused public opinion that will insist upon the use of his authority solely for the public good. To fetter him with constitutional and legal restrictions is simply to invite the breakdown of state administration.

The Public Service Board, and the Public Service Commission create a rare and unusual picture of divided responsibility within a hybrid organization. Here we have the State Engineer as an ex officio member, with the other two members of the Public Service Commission appointed by another board composed of three elected officials. The Public Service Board should be abolished completely, and the Governor authorized to appoint the two members of the Public Service Commission, with said two members serving at his pleasure.

(21) Industrial Commission Board

That Section 39 of the law creating the Industrial Commission, being Chapter 330, Statutes of Nevada 1951, be amended so as to eliminate the Industrial Commission Board, which now appoints one member of the Industrial Commission, and that the Governor be authorized to appoint the said Commissioner. Under the provisions of this section, two of the members of the Industrial Commission are appointed by the Governor, one of which is ex officio Labor Commissioner. The third member of the Industrial Commission is appointed by the Industrial Commission Board, which consists of the Governor, the Attorney General, and the Inspector of Mines. Aside from the appointment of the said third member, the Industrial Commission Board serves no useful purpose, and has no influence on the policies of the Industrial Commission, since the one member appointed by it is in the minority. However, in the minds of many people, the members of the Industrial Commission Board must bear the responsibilities for the actions and policies of the Industrial Commission. For the same reason set forth in the previous recommendation, relative to the Public Service Board, the Industrial Commission Board should be abolished, and all members of the Industrial Commission be appointed by the Governor.

(22) Industrial Commission as a Regular State Agency

That the law governing the operations of the Nevada Industrial Commission be amended so as to make the Industrial Commission a regular state agency within the framework of the State government, that its funds be deposited in the State Treasury to the account of the Commission, that all claims against the State Insurance Fund and the Occupational Diseases Fund be examined and approved by the Board of Examiners and the State Controller, that they be paid as other claims against the state are paid, that the state Insurance Fund and the Occupational Diseases Fund shall not be deemed to be merely a special fund placed in the custody of the State Treasurer, but that they shall be considered as a part of the State Treasury segregated in separate accounts, as other accounts are segregated in the State Treasury, and that moneys contributed to these funds shall never be used for the support and ordinary expenses of general state government. Due to certain wording in the law governing the operations of the Industrial Commission, and the decision of the Supreme Court of the State of

Nevada in State vs. MacMillan, 36 Nevada 384, interpreting such wording, the Nevada Industrial Commission has long been a quasi-state agency because its funds were merely "in the custody" of the State Treasurer and not deposited in the Sta te Treasury. In addition, its funds come from only a segment of the taxpayers of the State of Nevada, namely, those persons and corporations who are employers. This has meant that its expenditures were not subject to the same pre-audit examination by the Board of Examiners and the State Controller that is given to expenditures made by other state departments and agencies, nor are its expenditures subject to post-audit examination by the Legislative Auditor. Also, general acts with wording that makes them applicable to all state departments and agencies are not applicable to the Industrial Commission, since it is not considered to be a state agency. All this has kept the Industrial Commission outside of the regular and ordinary scope of the State government, it has prevented scrutiny and examination that all other state departments, agencies, and institutions are subject to, and, particularly in past years, its operations have been "closed-door" operations, so to speak, that have resulted in a considerable amount of criticism because the full story of its financial and other operations was not available to the general public and the legislature. There are a goodly number of funds now on deposit in the State Treasury that are segregated and ear-marked for specific purposes for specific agencies, and they cannot be used for other purposes any more than they could if they were deposited in banks. The Nevada Industrial Commission was created by laws passed by the Nevada Legislature, it is a child of the Legislature, and it should be subject to the same checks and balances that protect the funds and operations of other state departments, agencies, and institutions. In other words, it is a public operation in the smae way as is the Colorado River Commission, the Public Employees Retirement System, the Department of Highways, and many others. The argument has been advanced that if the funds of the Industrial Commission were on deposit in the State Treasury, such funds might be appropriated by the Legislature for general government. It must be noted that the Nevada Legislature could do that whether the funds are on deposit in the State Treasury or on deposit in banks, because the Industrial Commission is a creation of the Nevada Legislature.

(23) Bond Trust Fund

That the state's Bond Trust Fund Act of 1937 be amended so as to (a) eliminate the authority of district judges to grant bonds to local officials and that such authority be vested solely in the State Board of Examiners, (b) limit the state's liability under the provisions of the act to losses through defalcation and misappropriation of public funds only, and (c) provide an appropriation not exceeding $5,000 from the Bond Trust Fund to the State Board of Examiners for travel and expenses as needed to make investigations for proper administration of the act. In 1937 the Bond Trust Fund was enacted so that the state could have its own fund for the bonding of state and local officials. As amended in 1943, the State Board of Examiners has no choice but to grant a bond if the application is approved by a district judge. It appears that there is no necessity for district judges to participate in the procedure of granting bonds, and that the complete and final approval should rest with the State Board of Examiners. In addition, in a number of places in the act, it is stated that the fund is designed to insure the state and local political subdivisions against loss not only through defalcation and misappropriation of public funds, but also against loss through other wrongful acts of state or local officials. This may well mean, for instance, that if a bonded public official injured someone through negligence or otherwise, he could be sued by the injured parties, and the state's Bond Trust Fund might well be liable on his bond if an adverse court decision is rendered. It appears that the liability of the fund should be limited to defalcation or misappropriations of public funds only. If the State Board of Examiners had a limited appropriation for investigation of suspicious cases, some losses might be prevented or forestalled before they occur. An appropriation not exceeding $5,000 could be appropriated from the Bond Trust Fund for travel and expenses of the Board of Examiners or their authorized representatives and it would facilitate the administration of the act.

(24) Procedure on Cancelled Warrants

That Section 7372, , Nevada Compiled Laws 1929, be amended so as to eliminate the board of examiners from the procedure for handling cancelled warrants, and that the State Controller be authorized to handle all details of such procedure. Section 7372 declares that warrants must be presented for payment within 90 days after they are issued, but if a warrant is cancelled because of non-presentation an affidavit may be presented to the board of examiners indicating the reason for failure to present the warrant, and if the board is satisfied that the warrant is lost or destroyed another warrant may be issued. In actual practice such affidavits are presented to the State Controller, and if he is satisfied that the warrant is lost or destroyed he issues a new warrant.

The Board of Examiners is unfamiliar with the circumstances surrounding cancelled warrants, and the entire procedure should be handled by the State Controller, and the law amended so as to give him such authority.

(25) Recording of Receipts in the Controllers Office

That Section 7366, Nevada Compiled Laws 1929, which requires the State Controller to record in a book all moneys for which the treasury may grant receipts, be repealed. This requirement has not been carried out for many years, because a record of such receipts is kept in several other places in the Controller's Office, and it is a laborous process to make such entrys in the book by hand.

(26) Fire Insurance Recoveries

That Section 7380, Nevada Compiled Laws 1929, be amended so that unused Fire Insurance recoveries in the Fire Insurance Fund revert to the General Fund within one year after such Fire Insurance recoveries are paid into the Fire Insurance Fund, and that the unused balance that is in the Fire Insurance Fund at the present time revert immediately to the General Fund. At the present time, there are 5 fire insurance recovery funds in the state treasury the total sum of which is $2,226.51, with all repair of the fire damage completed, and the aforesaid money standing idle in the state treasury. It should be reverted immediately to the General Fund in order that it may be available for other uses.

(27) Deposit of Court Fees in the General Fund

That Section 2965, Nevada Compiled Laws 1929, be amended so that all the court fees collected by the Clerk of the Supreme Court shall be deposited in the General Fund. Under the provisions of Section 2965, such fees are required to be deposited in the Supreme Judges' Fund, but for many years in spite of this requirement, said fees have actually been deposited in the General Fund. Such fees should be deposited in the General Fund, and the section amended to fit the actual and proper practice. The Supreme Court has long been supported by direct legislative appropriation from the General Fund, and no other sums of money should be deposited in the Supreme Judges' Salary Fund beyond the legislative appropriation.

(28) Repeal of the Post War Reserve Fund Act

That the Act creating the Post War Reserve Fund be repealed. In 1943 the Nevada Legislature created the Post War Reserve Fund and appropriated $180,000, from the General Fund for the purpose of starting the Post War Reserve Fund. The act provided that sums of money in the General Fund in excess of that amount that may be necessary for the State to operate on a cash basis and with a sufficient reserve for emergencies arising from year to year may be transferred to the Post War Reserve Fund as necessary by the State Controller and State Treasurer. Transfers may be made back into the General Fund from the Post War Reserve Fund whenever necessary. No transfers have been made to the Post War Reserve Fund for a goodly number of years, and an effort was made by the 1951 Legislature to appropriate almost all of the funds remaining in the Post War Reserve Fund for new construction at various state institutions. However, a sizeable proportion of the amount appropriated will not be spent, and will again be available to the 1953 Legislature. In past sessions of the Legislature, considerable controversy has arisen as to whether the money in the Post-War Reserve Fund should be spent for construction purposes only, or whether it could be spent for general government. At the present time, an unusually large balance remains in the General Fund, and since the money in the Post War Reserve Fund has been taken largely from the General Fund, and the sources of the two are the same, it would appear that the Post War Reserve Fund should be abolished and its balance be returned to the General Fund to mingle with the balance in the General Fund and thereby be available for any purpose that the Legislature may desire.

(29) Travel

That the 1953 Legislature consider the desirability of increasing the per diem expense allowance for both in-state and out-of-state travel, as provided by Section 6942 and 6943 of the Nevada Compiled Laws, that the wording of Section 6942 be clarified on reimbursements, and that Section 6942 be amended so as to specifically require the permission of the Board of Examiners for out-of-state trips. At the present time, a per diem expense allowance of ten dollars per day is allowed for out-of-state travel and eight dollars per day for in-state travel.

The ten dollars per day allowance for out-of-state travel has not been increased since 1928, and it appears that an adequate per diem expense allowance should be authorized for state officers and employees when traveling on state business. The power of the Board of Examiners to require permission for out-of-state trips should be clearly set forth at law, even though there is no doubt that the Board of Examiners has adequate authority to issue rules and regulations requiring such permission, which is the situtation at this time.

(30) Payment of Salaries Without a Legislative Appropriation

That a general statute be enacted to the effect that even though a salary of state officer or employee is determined at law, such salary shall not be paid unless a legislative appropriation or authorization is provided therefor. It is necessary to describe a situation pertinent to this recommendation. The office of the Veterans Service Commissioner was created in 1943, and subsequently, the creating act was amended in various ways. Section 5 of an amending 1947 act expressly provided the salaries of the Commissioner and the Deputy Commissioner as follows:

> "The salary of the veterans service commissioner shall be forty-two hundred ($4,200) dollars per year, and the salary of the deputy veterans service commissioner shall be thirty-three hundred ($3,300) dollars per year, to be paid in the same manner as other state officers."

The 1947 Legislature not only fixed the salaries of the commissioners in the act itself, but also appropriated sufficient money to pay such salaries. However, the 1949 Legislature refused to appropriate any money whatsoever to the office of the Veterans Service Commissioner. An opinion by the Attorney General (Opinion No. 760) authorized the payment of the salaries of the two commissioners directly from the General Fund even though there was no legislative appropriation. The opinion was based upon the case of State ex rel Davis v. Eggers, 29 Nevada 469, in which the Supreme Court , after an exhaustive examination of the quest on and the authorities pertaining thereto, held that if the salary of an officer or employee was specifically set forth in a law, such setting forth constituted a sufficient appropriation for the salary, even though there was no specific appropriation made by the Legislature. The court, in passing upon the sufficiency of the appropriation to pay the salary, said:

> "Under our advanced, protective system no officer or individual has control of the public moneys. The provision that no money shall be drawn from the treasury but in consequence of appropriations made by law requires that their expenditure shall first be authorized by the Legislature, which stands as the representative of the people. No particular words are essential as long as the will of the law-making body is apparent. It has been held in a number of decisions that the word 'appropriate' is not indispensable. It is not necessary that all expenditures be authorized by the General Appropriation Bill. The language in any act which shows that the legislature intended to authorize the expenditure, and which fixes the amount and indicates the fund is sufficient. It is customary to create a Legislative Fund at the beginning of the session, and separate acts appropriating money are usual at every session."

In the case of the Veterans Service Commissioner, the Attorney General remarked as follows:

> "We think such statute in this respect provided and provides a valid continuing appropriation for such salaries until the legislature by direct action shall change, modify such salaries, or repeal the act in its entirety. It is our considered opinion that insofar as the said salaries are concerned, an appropriation is and will be available therefor on and after July 1, 1949, and until otherwise ordered by the Legislature, and that there will be no necessity for the bringing of a suit to collect such salaries."

In order that legislative control of the purse strings be fully maintained, it is recommended that the decision of State ex rel Davis V. Eggers be overturned by a properly worded general statute which would prevent moneys being paid out of the General Fund for the operation of State departments, agencies, and institutions without a legislative appropriation or authorization.

(31) Certification Bureau Fees into the General Fund

That Section 317, Chapter 63, Statutes of Nevada 1947, otherwise known as the "School Code," be amended so as to provide that all fees collected by the Certification Bureau of the Department of Education for the issuance and renewal of teachers' certificates be deposited in the General Fund, and that all funds necessary for the operation of the Bureau of Certification be provided by direct legislative appropriation from the General Fund. At the present time, moneys received from fees collected are deposited in the State Treasury to the credit of the Certification Bureau Fund, and the fees are used for the necessary expenses of conducting the said Bureau. However, the fees collected are not sufficient to cover the entire expenses of the Bureau, and part of the expense is paid out of money appropriated to the Department of Education from the General Fund. This hybrid situation should be eliminated, and the entire expense of the operation be covered by appropriation from the General Fund.

(32) Department of Buildings and Grounds

That Section 5, Chapter 320, Statutes of Nevada 1949, be amended so as to specifically place the Heroes Memorial Building and the State Office Building under the control and management of the Department of Buildings and Grounds, and that the act be amended so as to authorize the Superintendent of Buildings and Grounds to collect fees from those departments and agencies occupying space in state-owned buildings and having funds of their own and thus operating without appropriations from the General Fund. At the present time, the new State Office Building is controlled and managed by the Department of Highways, and those General Fund agencies occupying space in the building reimburse the Department of Highways in proportion to the amount of space occupied. The building should be under the control and management of the Department of Buildings and Grounds, with the Department of Highways reimbursing the said Department of Buildings and Grounds in proportion to the space that it occupies, and the General Fund agencies occupying space without cost in the same manner as do all other General Fund agencies. The Heroes Memorial Building is under the control and management of the Department of Buildings and Grounds at the present time, and most of the space in this building is occupied by the Employment Security Department, and said department is paying the Department of Buildings and Grounds for the space it occupies, since the Employment Security Department is supported entirely by federal funds. There should be specific authority in the Buildings and Grounds Law for the Department to collect and expend money paid for space occupied by those departments and agencies that are not supported by General Fund appropriations. It should also be noted that the present Superintendent of Buildings and Grounds has been doing a very excellent job of administering his department and has properly discharged the duties and carried out the intent of the Legislature on those construction projects given to him by the 1951 Legislature.

(33) Broader Insurance Coverage for State Property

That the 1951 Legislature appropriate sufficient funds so as to provide broader insurance coverage for state buildings and property. At the present time, state owned buildings are covered by fire insurance only, and there is no protection from loss from high winds, earthquakes, storms, etc. Under the provisions of Section 135 of the general act relating to insurance, the State Board of Finance was authorized to place all insurance required by the State of Nevada upon its property, and there is nothing in the section limiting such insurance to fire insurance. It appears that if the Legislature would arrive at an understanding with the Board of Finance, and if it would appropriate sufficient funds, the insurance coverage could be broadened. It appears that losses from reasons other than fire are of considerable proportions, and the advisability of broadening insurance coverage should be carefully considered by the Legislature at the very least.

(34) Department of Purchasing

That Sections 42, 44, 45, and 46 of Chapter 333, Statutes of Nevada 1951 which is the State Purchasing Act, be amended so as to clarify wording in three places, to exclude the Department of Purchasing from handling food obtained as donable surplus property which is used in school lunch programs, to clarify the authority to collect handling charges, to eliminate the requirement that vendors be paid before the Department of Purchasing is paid by the using agencies, and to substantially increase the amount of the Department's revolving fund. Section 42 authorizes the Director to purchase and acquire supplies, materials, and equipment that may be available from any U. S. Government agency dealing in war surplus material or donable war surplus material. At the present time,

under a 1947 law, the School Lunch Division of the Department of Education is handling food obtained as donable surplus material, and such food is distributed to the schools of the state for their school lunch programs and certain other non-profit institutions. The Department of Education feels that the handling and distribution of food for school lunch programs goes hand in hand with the actual administration of the programs in the schools, both of which are being handled by the School Lunch Division. Since the School Lunch Division is already established in the Department of Education for these purposes, the Department of Purchasing should be excluded from the field.

The wording of Section 44 should be clarified and make definite the authority to collect handling charges. The Department of Purchasing is designed to serve other state departments and agencies primarily, although Nevada's Department of Purchasing may serve counties and school districts on a voluntary basis. Departments with their own funds, and departments whose funds consist of a very large proportion of federal moneys, do 80% or more of the purchasing that is handled by the Department of Purchasing, and consequently obtain most of the savings and benefits. Because of this fact, the 1951 Legislature felt that the Purchasing Act should operate on the theory that the using agencies would contribute to the cost of administration in proportion to the amount of purchasing done for them. But for this arrangement, the General Fund would be paying for the support of a Department of Purchasing that devotes by far the largest portion of its time to serving using agencies that have their own separate funds. Examples of such using agencies are the Department of Highways, the Employment Security Department, the Colorado River Commission, the Public Employees Retirement System, the Industrial Commission, and the Nevada State Printing Office. Also, while the University of Nevada, the State Department of Health, and the State Welfare Department receive appropriations from the General Fund, a very large proportion of their total expenditures consists of federal moneys or other moneys collected by them. The Purchasing Act created a revolving fund which was designed to finance all of its transactions, with the using agencies contributing to the cost of administration, and the Legislature would not have to make biennial appropriations to keep the operation going. The Purchasing Act does not definitely set forth how the Director of Purchasing is to collect the handling charges, since it was believed that two or more years experience with the act would be necessary before the point would finally be determined. The wording on this point is identical to that in the Surplus Property Act of 1947, which authorized the State Board of Control to purchase surplus property for the various departments and agencies of the State of Nevada. The 1947 Act operated in a similar manner without question. There is nothing in the Purchasing Act which forces the Director of Purchasing to assess a handling charge, and it should not be so assessed when the Department of Purchasing must acquire property at a retail price, since any using agency could acquire it at the same price. But when the Department of Purchasing is saving money for the using agency, said using agency should contribute to the cost of administration. In such cases the Department of Purchasing is adding 5% for handling at the present time, but is also handling a goodly number of items without charge.

The primary purpose in the establishment of a central purchasing organization is to save money through competitive bidding and quantity purchasing. For many years the Department of Highways purchased road oils, tires, and gasoline in quantity lots and on a bid basis. However, almost everything else was purchased at retail, by not only the Department of Highways, but by all other departments, agencies, and institutions. This forced the creation of a central purchasing organization. Nevada's Department of Purchasing is not saving anything on road oil, tires, and gasoline for the Department of Highways, but it is saving money for other departments, agencies, and institutions on these items, and also saving money on other purchases for all departments, agencies, and institutions including the Department of Highways. The real strength of a central purchasing organization lies in uniform procedures and a broad scope of operation. The 1951 Legislature felt that the revolving fund ( a better designation would be "working capital fund") in the amount of $40,000 would start the central purchasing operation. To date, the Department of Purchasing has been handling the purchase of equipment of a value of $500 or over, but the time lag between the payment made to vendors and the receipts from the using agencies have strained the revolving fund. An increase in the size of the revolving fund would enable the Department of Purchasing to handle all supplies and equipment, including the many small items needed in the state offices. The size of the revolving fund should be increased to $150,000. Increasing it to $100,000 would help considerably, but it appears that the Department would not be able to handle all supplies and equipment until the size of the fund is approximately $150,00. It must be noted that moneys appropriated to the revolving fund of the Department are never expended since it is a revolving fund, and the amount will remain constant forever in the State Treasury. The usability of the revolving fund would be extended by amending the wording of Section 46 so as to provide that payment to vendors for supplies and property delivered would not be made until the using agency had paid the purchase price into the revolving fund of the Department of Purchasing.

In a year and a half of operations between July 1, 1951, and December 31, 1952, the Department of Purchasing has saved the State of Nevada approximately $100,000, and has well demonstrated its worth, keeping in mind that it took almost three months to establish the Department at the beginning. No property was handled during that period, and at the present time the Department is only handling equipment with a value of $500 or more. The amount of money in the revolving fund should be completely adequate so as to enable the Department to purchase all supplies and equipment, and thereby greatly increase the total amount of savings to the State each year. The law is very effective otherwise, and all that is needed is an adequate sum of money for working operations. The amount of money that will be spent by the Department for administrative purposes will be determined by the Legislature in the General Appropriation Act, but that is separate matter from the size of the revolving fund which is necessary for processing payments to vendors and reimbursements from using agencies.

(35) Inventory of State Property

That Sections 7275-7278, Nevada Compiled Laws 1929, being a 1929 act requiring all state officers and heads of departments, agencies, and institutions to make a complete inventory of all state property under their control for submission to the Governor, be repealed. There is provision in the 1951 State Purchasing Act for a complete inventory of all state property by the Department of Purchasing, and the old 1929 act is now obsolete and superseded.

(36) Prison Revolving Fund

That the law governing the management and operation of the Nevada State Prison be amended so as to provide legal authority for the maintenance of the Prison Revolving Fund. For many years the Nevada State Prison has maintained a revolving fund in the sum of $1,500 in a bank for small expenditures and emergency expenditures. There should be authority at law for the existence of every fund which contains public money. There is no such provision in the law governing the Prison, and authority to maintain the fund should be provided therein.

(37) Appointment of the Superintendent of the Nevada State Hospital by the Governor

That Section 7, Chapter 331, Statutes of Nevada 1951, which is the act providing for the administration and organization of the Nevada State Hospital, be amended so as to provide that the Superintendent of the Hospital be appointed by and responsible to the Governor. Under the present wording of Section 7, the Superintendent is appointed by and responsible to the Hospital Advisory Board. The same reasons given in Recommendations Nos. 20 and 21 for the Governor appointing all the members of the Public Service Commission and the Industrial Commission are applicable to the Superintendent of the Nevada State Hospital. Except for the power to appoint the Superintendent, the Hospital Advisory Board has advisory powers only. An advisory board should not have an appointing power because the power to appoint is the power to rule, and the power to rule is not consistent with the proper functions of an advisory board. The Governor, as the chief executive of the State of Nevada should have the power to appoint the Superintendent, and thus be responsible for the conduct of the hospital directly. To place the Hospital Advisory Board between the Governor and the superintendent destroys the proper check and balance function of an advisory board.

(38) Federal Funds for the Nevada State Library

That Chapter 146, Statutes of Nevada 1951, be amended so as to authorize the Nevada State Library to accept federal funds if such grants-in-aid are provided by the Congress of the United States. It appears that there is some possibility that federal grands-in-aid for state libraries may be provided by Congress in the not too distant future, and it appears that the proposed federal grants-in-aid are almost in the nature of gifts with no strings attached.

(39) Exchange Teachers in Nevada

That Sections Nos. 349 and 350 of Chapter 63, Statutes of Nevada 1947, be amended so as to authorize the University of Nevada and the elementary and high schools of this state to employ and retain teachers who are not citizens of the United States if they are exchange teachers authorized to teach in the United States under the provisions of Public Law No. 584 of the 79th Congress, otherwise known as the Fulbright Act, or under the

provisions the United States Information and Educational Exchange Act, popularly known as the Smith-Mundt Act. At the present time, Sections Nos. 349 and 350 prohibit the University of Nevada and elementary and high schools from employing or retaining any teacher, instructor, principal, superintendent, or professor who is not a citizen of the United States. These restrictions are preventing the State of Nevada from obtaining some of the fine teaching personnel that have been coming to the United States under the exchange programs. The Fulbright Act, authorizes the use of certain foreign currencies and credits acquired through the sale of surplus property abroad for educational exchanges. To date 24 countries have signed agreements with the United States to participate in such exchanges. Grants are awarded for study, teaching, lecturing or research, and are always paid in foreign currencies. Grants are also awarded to foreign nationals for the purpose of attending American-sponsored institutions in their home countries. In the administration of the Fulbright program, the Department of State is assisted by four agencies in the United States: the Institute of International Education, the Office of Education, and the American Council on Education, and the Conference Board of Associated Research Councils. American educational foundations or commissions, with bi-national boards of directors, are responsible for the administration of the program in the respective participating countries. The Board of Foreign Scholarships, appointed by the President, supervises the program and makes final selection of individuals and institutions qualified to participate. In order to assure nation-wide participation in the Fulbright program, student-selection committees have been established in 47 states, the District of Columbia, and the U. S. Territories. In addition to the state committees, campus selection committees have been established at more than 800 colleges and universities in the United States for the preliminary screening of candidates for Fulbright study awards.

The United States Information and Educational Exchange Act, popularly known as the Smith-Mundt Act, established for the first time on a world-wide basis an information and educational-exchange program as an integral part of U. S. foreign policy. The program provides for a reciprocal exchange of students, trainees, teachers, lecturers, professors, specialists, and leaders of thought and opinion between the United States and other countries. In countries where the Fulbright program is in operation, grants payable in U. S. currency are sometimes awarded in conjunction with Fulbright travel grants, which are payable only in foreign currency. This program is administered with the assistance of the Institute of International Education and the Office of Education in this country, and through the Foreign Service establishments in each participating country abroad. Final selection of participants is made by the Department of State.

(40) New Revenue Code Authorizing Counties to Operate on a Fiscal Year Basis

That a new revenue law authorizing counties to operate on a fiscal year basis, drawn by various co-operating organizations and county officials such as the Nevada Association of County Commissioners and the District Attorneys, be enacted. Senate Bill No. 119 of the 1951 Legislature covered the same subject, but was lost because of disagreement over certain parts of the bill. It appears that these matters of disagreement may now be resolved. The placing of the counties on a fiscal year basis has a great many advantages too numerous to mention here and which would entail a lengthy discourse in a very highly technical subject. Careful hearings should be held by the committees to which the bill is referred, in order that there might be an adequate conception of what the bill tries to accomplish. The enactment of the bill may well be a great step forward along the path of an orderly arrangement of the fiscal affairs of Nevada counties.

(41) Firehouse to Serve the Nevada State Hospital and the City of Sparks

That the 1951 Nevada Legislature study and consider a bill which would provide an appropriation of $58,500 to the City of Sparks for the construction, equipping, and operation of a new firehouse located on the grounds of the Nevada State Hospital and which would serve both the Nevada State Hospital and the City of Sparks. Under the provisions of this bill, the State of Nevada would convey to the City of Sparks two parcels of land which would provide a site for the construction of the new firehouse and access to it after it is constructed. The City of Sparks would construct the new firehouse at a cost not exceeding $29,500. The City would provide three pieces of automotive equipment to be regularly stationed at the firehouse, along with such other equipment as would be necessary and incidental to fire fighting operations. The city would maintain the firehouse and all equipment from year to year. It would provide such fire officers and firemen as would be necessary to operate the firehouse on a twenty-four hour basis, seven days per week. However, the bill would require the State of Nevada to pay for the salaries of two firemen on a permanent basis. The City would provide reasonable and adequate fire protection for the Nevada State Hospital, the property of the Department of Highways and all other state property within the boundaries of the City of Sparks on a permanent basis. The bill would require the State to appropriate

$29,500 for the construction of the new firehouse, $14,000 for the purchase of one new fire engine, and $15,000 to provide the salaries of two firemen for a two year interval. The Legislature should give careful consideration to the fire protection needs of the Nevada State Hospital. Full information can be obtained from Mr. Francis W. Farr, Chief of the Sparks Fire Department.

(42) Employees of the Assembly

That Section 3, Chapter 265, Statutes of Nevada 1951, be amended so as to definitely limit the number of officers and employees of the Assembly. Section 1 of the aforesaid act definitely limits the officers and employees of the Senate to fifteen, but Section 3 provides that the number of officers and employees of the Assembly shall be determined by each session of the Assembly as recommended by the Assembly Committee on Rules and Legislative Functions. This still leaves the way open for the hiring of excess staff by the Assembly, as was commonly done in sessions years ago. The 1947 Legislature streamlined the procedure for hiring employees, and drastically reduced the number on a voluntary basis. The new procedure of hiring employees by a committee has resulted in a saving of approximately $25,000 for each session. However, there is no guarantee that future sessions will be as conscientious on this matter as recent sessions have been. The only way to safely provide for the future is to put a reasonable ceiling by law on the number of employees. A ceiling of 40 or 45 employees should provide the Assembly with adequate flexibility, and still prevent the hiring of a hugh and excessive number of employees as occurred in the past.

(43) Correction of Typographical and Clerical Errors in Enrolled Bills

That the Legislative Counsel Bureau be authorized to correct typographical and clerical errors and errors in style of printing in enrolled bills after they are signed by the Governor. The Bureau could be called into session by the Governor or by the desire of the majority of the entire membership of the Bureau for this purpose. Some provisions should be made for correcting such errors after the bills have been signed into law. For instance, the 1949 Nevada Legislature enacted a law designed to increase the amount of the counties' share of motor vehicle registration fees from 25¢ to 75¢ for each registration. Through clerical error, the law was enacted with the provision that each county shall receive one dollar per registration, instead of the 75¢ as passed by the Legislature. In other words, any clerk or employee has the power to change the laws and to violate the intent of the Legislature under certain conditions. It would not be impossible for such changes to be made willfully, although such action constitutes a felony. Under present laws, if a statute were willfully altered, it appears that to change it back would require a legislative act, which might not be possible until a subsequent session, since such a thing might not be discovered until long after the Legislature had adjourned. It seems unreasonable to allow a situation to continue where a clerk would have such tremendous power over the laws as passed by the Legislature; more power even than the Governor or any other elected official; except possibly the Supreme Court. The time may come when a clerical error would be so serious that it would be necessary to call a special session of the Legislature to correct it, at great expense.

(44) Vacancies in the Legislative Counsel Bureau

That the law creating the Legislative Counsel Bureau be amended so as to provide that each house elect two alternate members of the Counsel Bureau in addition to the two regular members, and thus make provisions for vacancies in the membership of the Counsel Bureau created by death or resignation. At the present time there is no provision for filling such vacancies, and if two of the members dropped out, the bureau would be unable to function until new members were selected by the next legislative session.

(45) Care of Legislative Supplies and Equipment

That the law creating the Legislative Counsel Bureau be amended so as to provide that the Counsel Bureau shall be charged with the duties incidental to the care, custody, and acquisition of legislative supplies and equipment. At the present time, as an arm of the Legislature, the Counsel Bureau actually cares for and inventories supplies and equipment belonging to the Legislature, and prepares them for each forthcoming session. The Counsel Bureau should be officially charged with these duties and be required to report to the proper legislative committees on the care and disposition of the approximately 650 pieces of equipment that the Nevada Legislature owns, and the large amount of incidental supplies and materials.

(46) Commission on Interstate Cooperation

That the law creating the Legislative Counsel Bureau be amended so as to authorize the Counsel Bureau to act as Nevada's Commission on Interstate Cooperation in order to work with those legislative study groups in neighboring states and known as commissions on inter-state cooperation, and to work with the Council of State Governments. The Council of State Governments is a joint governmental agency astablished by the states a goodly number of years ago, supported by the states, for service to the states. It acts as: (1) a medium for improving legislative, administrative, and judicial practices within the states; (2) an agency for encouraging full cooperation among the states in solving inter-state problems, both regional and national; and (3) a means of facilitating and improving federal state relations. In brief, the Council exists to serve governmental progress in the states, among the states working together, and by the states in their relations with the federal government. The Council is composed of commissions or committees on interstate cooperatio;n established in 47 states as official entities of the state government. These commissions are study groups composed primarily of legislators, existing primarily for the purpose of gathering information on interstate problems. The Legislative Counsel of Nevada is a member of the Board of Governors of the Council of State Governments, the Legislative Counsel Bureau maintains extensive contact with the Council of State Governments, and is constantly gathering information on interstate problems for the use of legislators and other state officials, but the Legislative Counsel Bureau is only acting unofficially as Nevada's Commission on Interstate cooperation. It should be authorized by law to act in such capacity in order to fit into the organization of the Council of State Governments.

(47) Financial Statements to the Legislature

That Chapter 34, Statutes of Nevada 1947, and Chapter 214, statutes of Nevada 1949, being two acts requiring that financial statements be submitted to the Legislature, the Governor, and the Secretary of State, be repealed, and that their provisions be incorporated instead into Chapter 205, Statutes of Nevada 1949, which is the law creating the position of Legislative Auditor, and thereby eliminate conflict of laws and enable the handling of all financial statements through one agency where they may be compiled and distributed for the use of the Legislature, state officers, and the general public.

(48) Functions of the Legislative Auditor

That Chapter 205, Statutes of Nevada 1949, which is the law creating the position of Legislative Auditor, be amended so as to provide that the Legislative Auditor shall have the power and duty to audit the books and accounts of all state offices, departments, boards, commissions, bureaus, agencies, or institutions operating by authority of law, and supported in whole or in part by any public funds, whether such public funds are funds received from the federal government of the United States, or any branch or agency thereof, or from private or any other sources, and that funds be provided for a staff sufficient in size to audit each of the aforementioned state offices, departments, etc., annually. The 1949 Legislature excluded the Nevada Industrial Commission and the Basic Magnesium Project from audit by the Legislative Auditor, and while the Basic Magnesium Project is no longer a part of the government of the State of Nevada, it appears that the financial transactions of the Nevada Industrial Commission should be subject to an examination by an arm of the Legislature in the same way as all other state departments, agencies, and institutions. It is becoming more and more apparent that an annual audit of all state departments and agencies is a necessity; in fact, an increasing number are demanding such an annual audit. However, to audit them all annually will entail considerable work, and one or two assistants to the Legislative Auditor will be necessary.

## ELECTION LAWS

The following amendments to various election laws have been recently recommended by a majority of the county clerks in Nevada. While they have not been discussed by the members of the Legislative Counsel Bureau, the Legislative Counsel has conferred with the county clerks concerning them. There is much merit in the recommendations, and it is felt that this report offers a good medium for them to be presented for consideration by the Nevada Legislature. Bulletin No. 16 entitled "Nevada's Registration Law," Legislative Counsel Bureau, December 1952, is a study of the registration law and provides companion recommendations to the following:

Primary Law

(1) That Section 11, which requires the publication of notices of the holding of primary elections, be amended so that in towns or cities which have more than one polling place the notice shall show only the location of each, and eliminating the necessity of a description of such polling place. Also, that descriptions of polling places in such notices published in newspapers of general circulation be eliminated, and that there be only two such publications in all.

(2) That the county clerks shall prepare sample ballots for primaries 21 days instead of 25 days before the September primary. Also, that the requirement that sample ballots be conspicuously marked with the words "Sample Ballot" be eliminated. Also, that the county clerks shall furnish sample ballots of each class equal in number to one-fourth of the official ballots, to be distributed to the precincts.

General Election Law

(1) That Section 2 be amended so as to eliminate the requirements that (a) the clerk of the election board shall make and deliver to inspectors and clerks personally notice of their compensation for each shift; (b) such notice be sent by registered mail to the registry agent of the precinct for each of the inspectors and clerks; and (c) the registry agent serve the same upon the inspectors and clerks. Also, that there be stronger wording requiring persons in charge of buildings to be used for polling purposes to cooperate by furnishing adequate space for such purposes.

(2) That Section 38 be amended so as to eliminate the requirement that county clerks must order paper for the primary and general election ballots 40 days preceeding the primary election, since registration closes 30 days prior to the primary electinn.

(3) If the Registration Law is amended so as to require voters to sign their names at the polls, that Section 41 be amended so as to conform to that requirement.

(4) That Section 47 be amended so that county clerks may furnish ballot forms to boards of election at each precinct or to any elector calling in their offices, or to both at their discretion.

(5) That Section 49 be amended so that county clerks may submit the printing of ballots for competitive bidding.

(6) That Section 101 be repealed, since it refers to the Soldiers Vote Law, the repeal of which is recommended below.

Soldiers Vote Law

(1) That the Soldiers Vote Law be repealed since it is now obsolete and superseded, and its provisions are covered in a far better manner by the Absent Voter Law.

Absent Voter Law

(1) That Section 2 be amended so that the deadline for absent voters to make application for an official absent voter's ballot shall be at 5:00 p. m. on the Friday prior to the date of the election.

(2) That Section 4 be amended by striking out the requirement that absent voters' signatures must be verified.

(3) If the previous recommendation (2) is enacted, that the wording of Section 6 be amended so as to conform to the elimination of the requirement that signature be verified.

(4) That Section 8, which requires county clerks to make and post lists of absent ballots applied for and those returned, be repealed, and that wording be substituted which would allow county clerks to send registration forms and ballots to absent voters at the same time.

(5) Amend Section 10 so that on the day of the election the county clerks may deposit absent ballots in the ballot box before the close of the regular balloting.

(6) That Section 13 be repealed, because no voter should have the right to recall his ballot and vote again, even though his absent voter's ballot is not used.

Small Precinct Law

That Section 8 be amended so as to eliminate the provision that no ballot may be listed, opened, or counted unless it is received by the county clerk more than six days prior to the election. Absent ballots

may be received on the day of election, and small precinct mailed ballots should also be received on the day of election.

Bond Elections

(1) That Section 3 be amended so as to require the use of only one ballot box, or if there is a bond election in conjunction with a general election, the same ballot box should be used. It is unnecessary to have two ballot boxes when there are different colored ballots.

(2) That Section 4 be amended to comply with the use of one ballot box.

(3) That wording be added to the act providing that there shall be no right of absent voting at bond elections.

Voting Machines Law

(1) That Section 23, which provides that within ten days after receiving the report of the county commissioners, the Secretary of State shall send the copy to the election board, be repealed. This section is not applicable in the State of Nevada, since the procedures provided by the election laws are entirely different.

(2) That Sections Nos. 45, 46, and 47 be amended so as to change the words "election board" to county commissioners" wherever they occur. The functions delegated to election boards in these three sections should belong to county commissioners in the State of Nevada, thereby creating conformity with the system of county and local government existing in this State.

(3) That Section 48 be amended so as to eliminate the provision that an election board may provide for the payment for or the rental of a voting machine. This is properly the function of county commissioners or legislative bodies of incorporated cities, and the section already provides that county commissioners and the legislative bodies of incorporated cities also have this function.

(4) That Section 59 be repealed, since it refers to a presidential primary. Presidential primaries do not exist in the State of Nevada at this time.

(5) That Section 97 be repealed, since it refers to voting an irregular ticket made up of the names of persons in nomination by different parties. The primary law in the State of Nevada does not provide for such an irregular ticket.

(6) That Section 110 be amended so as to make the section conform to the provisions in the election laws relative to the filing of contests for election.

(7) That Section 112 be amended so as to provide that the county commissioners shall record the necessary data from the voting machine when there is a discrepancy in the returns of any election precinct. The section now provides that the precinct board shall perform this functinn, and that is inconsistent with the procedures authorized by the election laws in such cases.

County Hospital Law

Amend Section 1 so that the question of issuing bonds for the reconstruction or repair of county hospitals shall be submitted to the voters at a special election called for that purpose, instead of at the next general election, as is now provided.

## ELECTION LAW DISCUSSIONS WITH THE SECRETARY OF STATE

The Legislative Counsel has discussed the election laws of the State of Nevada with the Secretary of State on numerous occasions. As a result of such discussions, the following amendments appear to merit consideration by the Nevada Legislature. They have not been discussed by the members of the Legislative Counsel Bureau.

Primary Election Law

(1) That Section 5 (c) be amended so as to clarify the last day and hour that candidates may file for office. Provision should be made for the last filing date falling on Sunday, and the provisions of sub-section (c) should be limited to candidates for district offices, state senators, assemblymen, and county and township officers, since they all file their candidacies with the county clerks whose offices are open until 12 o'clock noon on Saturdays.

(2) That a new sub-section (d) be added to Section 5 setting forth that when the last day of filing candidacies for United States senator, representative in Congress, state offices, and offices whose districts comprise more than one county, falls on Saturday or Sunday, the period shall expire on the previous Friday at 5 p. m., which is the closing hour of the Secretary of State's office.

General Election Law

(1) That Section 28 be amended so that if the returns of an election are not received by the Secretary of State five days before the first Wednesday of December, which is the day that the Supreme Court canvasses the election, then he may send a messenger to the county to get another copy of the returns. Under the present wording, there is no time to get copies of the returns before the official canvass is made.

Law on Nomination and Election of Presidential Electors

(1) That the wording of Section 2 be clarified. A part of the wording of the second sentence of the section does not read with intelligibility. The sentence will read properly if the words "shall be elected" are eliminated, and the words "receive the highest number of votes," substituted in lieu thereof.