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DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

DIVISION OF ENVIRONMENTAL PROTECTION

333 W. Nye Lane, Room 138 Carson City, Nevada 89706

Testimony of Allen Biaggi, Administrator, Nevada Division of Environmental Protection on SB200 (State Board for Financing Water Projects)

Before the Senate Government Affairs Committee

March 12, 2003

Good afternoon, Madam Chairman and Government Affairs Committee members, my name is Allen Biaggi, and I am the Administrator of the Nevada Division of Environmental Protection. With me this afternoon is Leo Drozdoff, Chief of the Division's Water Pollution Control Bureau.

SB200 would allow the State Board of Finance to issue general obligation bonds of the State of Nevada in amount of not more than \$73,000,000. This \$73 million amount represents an increase of \$4 million over what is presently authorized under NRS349.986. These funds would allow a local government to receive grants associated with the costs of abandoning an individual sewage disposal system and connecting to a community sewer system in response to an action by NDEP pursuant to NRS 445A.300 – 445A.730. Traditionally, the state Board for Financing Water Projects has provided grants to predominantly small rural community water systems in order to ensure compliance with the Federal Safe Drinking Water Act. Therefore, the work necessary to administer these funds will require a different set of policies and regulations. The Division can implement these new requirements without additional staffing resources.

The legislature, when it created the Division of Environmental Protection specifically called for the protection of Nevada's groundwater. The purpose of Senate Bill 200 is to provide a mechanism to help protect our valuable groundwater resources from nitrate contamination. It would also diminish a public health threat and prevent a violation of the Safe Drinking Water Act.

The impetus for this bill centers on Spanish Springs, in Washoe County Nevada. In the early 1990's, NDEP worked with Washoe County officials to understand the impacts to groundwater from septic systems. The Division and the County realized that the densities of septic systems exceeded safe levels prescribed by NDEP models. Efforts to require dry sewers in certain subdivisions were unsuccessful at the County Commission level, because nitrate levels in the groundwater had not yet become elevated. As time passed, more septic systems lead to higher nitrate levels in the groundwater. In 1995, the NDEP informed Washoe County that any future subdivisions proposed to be served by septic systems would be denied. However, the already existing inventory of approved systems continued to have an impact. In 2000, after consultation

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with the Washoe District Health Department, the Division did direct Washoe County to develop a regional approach to the problems associated with septic systems.

While the Division has always worked well with Washoe County and other local governments, this legislation will allow NDEP to provide more assistance to communities whose drinking water is threatened by nitrate contamination. Therefore, we support SB200.

Finally, I would also like to make this Committee aware of a related Bill, Senate Bill 233, which is also before Senate Government Affairs and is scheduled for hearing on Friday. This bill calls for amending the previously mentioned statute, NRS 349.980 to increase bonding capacity by \$17 million in order to continue to provide assistance to rural communities. Senate Bill 200 and 233 are separate requests but are related due to the modification of NRS 349.980.

If you have questions, Mr. Drozdoff and I will be pleased to answer them.