

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON NATURAL RESOURCES, AGRICULTURE, AND  
MINING**

**Seventy-Third Session  
February 14, 2005**

The Committee on Natural Resources, Agriculture, and Mining was called to order at 1:34 p.m., on Monday, February 14, 2005. Chairman Jerry D. Claborn presided in Room 3161 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Mr. Jerry D. Claborn, Chairman  
Mr. Kelvin Atkinson, Vice Chairman  
Mr. John C. Carpenter  
Mr. Mo Denis  
Mr. Pete Goicoechea  
Mr. Tom Grady  
Mr. Joseph M. Hogan  
Mrs. Marilyn Kirkpatrick  
Mr. John Marvel  
Ms. Genie Ohrenschall  
Mrs. Debbie Smith

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

None

**STAFF MEMBERS PRESENT:**

Amber Joiner, Committee Policy Analyst  
Mary Garcia, Committee Secretary  
Matthew Mowbray, Committee Assistant

**OTHERS PRESENT:**

Terry Crawford, Director, Nevada Department of Wildlife  
Don Henderson, Director, Nevada Department of Agriculture  
David Thain, DVM, State Veterinarian and Administrator, Division of  
Animal Industry, Nevada Department of Agriculture

**Chairman Claborn:**

[Meeting called to order. Roll called.] We have two presentations today. We have Mr. Terry Crawford, the Director of Nevada Department of Wildlife and we also have Don Henderson, Director of Department of Agriculture.

**Terry Crawford, Director, Nevada Department of Wildlife:**

[Introduced himself; Kelly Clark, Chief, Conservation Information; and Patty Wagner, Policy Analyst.] I'm a native Nevadan.

I was hoping to be able to tell you a little bit about who we are and some of the things we have been involved in over the last couple of years since last we met, and some of the things that we plan over the next couple of years. I have provided staff and yourselves with a copy of my presentation ([Exhibit B](#)). If that generates any questions after the fact, I hope you will feel free to contact us.

Maybe just a little history about wildlife conservation in Nevada. It's been since 1877 that we've had some form of a wildlife management agency in this state. It's taken a lot of different forms. There has also been some significant federal legislation that has had good and bad impacts on the state of Nevada and wildlife. There was a period of time in the twentieth century where county government was actually the wildlife agency in this state. Then, because of the availability of federal funds, in 1949, the Legislature created the State Fish and Game Commission with a County Game Board process and a Wildlife Commission, which was similar to a lot of state wildlife organizations across the country. We functioned for quite a few years as the wildlife agency.

In 1960, the Legislature adopted the Nevada Boat Act, and we also became the boat agency in Nevada, with boat registrations and a safety program, game wardens being the highway patrolmen on the water, if you will. We've had a number of iterations of the Board of Wildlife Commissioners, one from each county. At one time, wildlife commissioners were even elected to represent their specific county. We have been moved from the Fish and Game Commission to the Department of Fish and Game to the Department of Wildlife to the Division of Wildlife to the Department of Wildlife, which is our situation today.

[Mr. Crawford, continued.] Nevada's wildlife resources—we have over 600 species of different wildlife that inhabit Nevada: Birds, mammals, reptiles, fishes, and amphibians. We are responsible for management and protection of them and their habitat statewide. Wildlife and the associated recreation is big business in Nevada, with an estimate—from national surveys—of over \$600 million a year that go into Nevada's economy from hunting, fishing, wildlife viewing, boating recreation.

As an agency, you'll find our mission in two places in statute, but it's basically the protection and management of wildlife and associated recreation and boating safety in the state. We currently have a Board of Wildlife Commissioners that has nine members appointed by the Governor. They represent different constituent groups—sportsmen, general public, conservation, farming, ranching—and there are some limitations on geographic distribution of the areas that they represent. I, as Director, am appointed by the Governor. I also function as the Secretary of the Board of Wildlife Commissioners. We have 213 full-time employees at this point in time.

We divide our Agency into eight bureaus to complete the various functions that we have. Of course, we have Administrative Services. They pretty well take care of budgets, the business end of wildlife management, and they supervise our support operations—such as air operations—and issue licenses and keep track of our application hunt program. We have a Conservation Education Bureau that is responsible for our public affairs, our outreach program, and our volunteer program, marketing, and our various education programs for Project Wild, Trout in the Classroom, and our Hunter Education program and aquatic education programs.

We have a Fisheries Bureau that is engaged in survey and inventory of the various fisheries around the state on a regular basis. We operate four fish hatcheries statewide. We're responsible for dealing with a lot of the native fishes. We have a lot of fishes in Nevada that live in one particular spring or complex of springs and streams and live nowhere else in the world. We have an urban fisheries program where we are involved primarily with local government to establish fish ponds in proximity to urban situations in particular, where primarily youth can ride their bicycles to a place to fish.

We have a Game Bureau, and they are responsible for survey and inventory and management of all of the species that we hunt. They also operate a predator management program. We are involved in significant amounts of traffic and transplanting of wildlife into areas where we have new opportunities, and we are constantly working on species management plans with public input.

[Mr. Crawforth, continued.] Our Habitat Bureau is responsible for commenting on a wide variety of land use issues. They are responsible for operating the Wildlife Management Areas that we have around the state. We have Wildlife Management Areas to the tune of 165,000 acres around the state. We put together a lot of wildlife water developments we call "guzzlers," acquisition of wetlands—and, now that it's decided to rain and snow, maybe we'll have some wetlands again. We also have an arrangement with the mining industry whereby they help fund our activities associated with mining and mine reclamation in Nevada. I think most of you are aware of the Question 1 park and recreation bond issue that was passed a couple of years ago. We were a participant in that, and it's been very helpful to us to enhance a number of wildlife habitats around the state, and that continues.

We have a Law Enforcement Bureau. They are responsible for wardens on patrol, both on water for boating safety and for wildlife protection. We operate a statewide radio communications system for communications and safety of our personnel. We have an Operation Game Thief program, which is basically a Secret Witness-type program where people can report violations and achieve rewards, and that's largely a volunteer donation program very involved with urban wildlife issues, especially in the spring when things decide to fall out of the nest in people's back yards or bears and lions decide to show up in their front yards. The Law Enforcement Bureau operates or manages the guiding program here in Nevada, and we license about 120 master guides and number of subguides throughout the state.

Wildlife Diversity Bureau—some of you will know this as non-game, and we're trying to get away from that term as much as possible—this entity addresses the animals and fish and birds that we do not hunt and fish for primarily—deals with enhancement programs, survey and inventory programs, for the majority of the species that we have in the state. There's a lot of Endangered Species Act consultation and review in this program. We're involved in conservation planning for a number of species, and some of that is responsible for some new federal funding for us. We have some new programs, such as the landowner incentive program for private landowners to help us with wildlife management.

Just to tell you a little about how we are funded, the North American model for wildlife conservation for over 100 years has been user pay. That's pretty typical in most states, with very few getting revenue from state General Funds. Most of it comes from the sale of hunting and fishing licenses and other permits, and also two different federal programs, known to us as Wallop-Breaux and Pittman-Robertson, which provide funds distributed from the excise tax on the purchase

of hunting and fishing equipment and supplies. Those funds are appropriated out to the various states on a formula basis.

[Mr. Crawforth, continued.] I think you can see the variety of fund sources. We have over 20 fund sources for just the Wildlife Account alone. Our licenses and fees amount to revenues of about a little over \$9 million a year, and a similar figure for the two federal programs. We get about 3 percent of our revenue from the General Fund, and that gets used to support our diversity program.

Similarly, in the Boating Program, again a largely user-funded program, we register and title boats in Nevada. We get a piece of the state gasoline fuel tax; that's based on a formula that comes from a survey that's done about every ten years in the state of Nevada. We split that with the Division of State Parks. We do get a small amount of a couple of federal funding [sources]: one that's used primarily for boating safety and education and one that is used to develop boating access facilities.

The revenues that we receive from boating registrations annually, for example, is about \$2.5 million. Half of that is for property tax, and we collect it when you register your boat and submit half of it to the county school fund in the county that the boat is registered in. Gasoline fuel tax in state amounts to about \$1.5 million a year for our particular share of it. We have four other budget accounts that I haven't mentioned here that are very project-specific, where funds come in for a specific purpose, mostly statutory design of the program. That's funds that we take in and use specifically on those particular programs.

We have been, for the last ten years, very engaged in strategic planning. We felt it was important to go out to our customer and find out what they expected from the agency. We took that information and developed a strategic plan to try to meet those needs. We feel we did a good job of meeting those needs and, in fact, we've done a survey of folks again to see how we did. They spoke well of our performance. For those of you who were here last session, I made a presentation called "Promises Made, Promises Kept." One of the promises was to revise the plan every five years. We have revised our strategic plan and it has new goals and objectives in it for the next few years.

Some of our more recent accomplishments—I've given you quite a list of the types of publications that we put out, but one of the things that our public's told us was they wanted more information about wildlife, who we were, what we were doing with their money, in addition to our regulatory pamphlets, and try and do a lot of informational pamphlets. We distribute hundreds of thousands of these things every year. Some of the bigger documents, especially the scientific publications, we do sell some of those and have trouble keeping

some of them in stock. Our wildlife water development, our "guzzler," atlas is a pretty popular Christmas present for some folks. This is only a partial list of the things that we put out annually.

[Mr. Crawforth, continued.] Some of our other accomplishments—I think many of you are aware what's happened concerning sage grouse conservation, but sage grouse is a very important species to the Great Basin ecosystem and a lot of the West, and there was a concern that those might be listed as an endangered species under the Endangered Species Act. Nevada has led the way in conservation planning across the West and has completed sage grouse conservation plans. I think many would agree that that has been responsible for the Fish and Wildlife Service's decision not to list the sage grouse. Such a listing would have had significant cultural and economic impacts on the State of Nevada.

We have implemented a predator management program. We've been very involved in the effort to make for a healthy Walker River ecosystem and hopefully keep Walker Lake from drying up. We stock over 4 million fish in the past biennium.

As I mentioned earlier, we've developed a number of urban fishing ponds. We are in a major fish hatchery refurbishment project. A fish hatchery at Lake Mead right now is closed and under reconstruction, and we plan to reopen that in July. We're working on our refurbishment of our other hatcheries, which are all fairly similar in age. After you run water through those things for thirty years, they start coming apart, so we're using a series of bond monies to do that that we pay back with the trout stamp revenue that we receive.

We regularly complete a half dozen or so boating access projects around the state in conjunction with State Parks and local government and the National Park Service. We have completed or are working on a number of species conservation plans and management plans with Board of Wildlife Commissioners working in the public forum to get public information on those. We are pretty involved every year in moving wildlife around. In the past two years, we've relocated 1,300 upland game birds, 1,200 Canada geese from urban situations where they are a problem to places where people can enjoy them, and about 500 big game animals.

We have a small air force—two Bell Jet Ranger helicopters and a Cessna 206 fixed-wing aircraft that we use for wildlife surveys. It's very integral to our management programs to get consistent survey data, particularly with big game. We've developed a number of predator-prey interaction studies to find out just what the impacts on wildlife populations are there. We've acquired a

number of critical habitats, some of them in an effort to keep species from being listed under the Endangered Species Act. We've developed a number of wildlife interpretive centers in northern Nevada, and we're in the process of developing one in southern Nevada out at our Overton Wildlife Management Area.

[Mr. Crawforth, continued.] We have educated thousands of youth and adults in aquatic education, Hunter Education, and classes in school rooms. We have a volunteer program. People have donated almost 20,000 hours to our various programs, helping us with work that probably wouldn't get done to that extent. We've installed and maintained a number of wildlife water developments. We have one of the most active websites in state government, with over 2,000 users a day. We've commented on 2,600 environmental-type documents and partnered with a number of people in entities around the state for wildlife conservation and public access.

Continuing initiatives that are actually new initiatives from a year or two ago that we're wrapping up, if you will. I mentioned our Hatchery Refurbishment program. We are in the final phases of implementing an online licensing system. You can currently renew your boat registration online, you can apply for big-game hunting opportunities and licenses online, and, within a year, you will be able to apply for any licenses online or use one of our license agents. That'll all be electronic.

I mentioned the sage grouse conservation program. That has been exclusively grant-funded. We have a predator management program that is funded from a \$3 surcharge on game tag applications. The Board of Wildlife Commissioners directs the activities of that program every year based on legislation sponsored by your Chairman. We are busy developing a conservation planning program, which will enable us to receive about \$2 million a year from the federal government from a new program for wildlife diversity, species, ongoing boating access grants, wildlife habitat rehabilitation.

We have an agreement with the Pyramid Lake tribe with the goal to restore a river run of Lahontan cutthroat trout for Pyramid Lake up into the Truckee River. We are partners with Clark County and a number of others on their habitat conservation plan. In addition to the variety of our regular programs that we are involved with, we see some continuing demands as our state grows for increased public recreation and access. We've got a significant loss of wildlife habitat from range fires, urbanization, highways, a variety of activities. As we move into, especially in urban areas, wildlife habitat, we see increased human-wildlife conflicts. We're trying to work to educate people on how to live with wildlife in those situations and maybe even encourage backyard wildlife.

[Mr. Crawforth, continued.] Significant issues with invasive species and exotic species competing with our native wildlife. We have not been subject to it at this point in time, but we continue to monitor it. Wildlife disease that is occurring in some places in the West—chronic wasting disease, brucellosis, some of those types of things—we have been fortunate enough, probably because of our geography and climate, to not have to experience those yet.

Increased demand for species management planning to prevent species listing and to provide for proper management in endangered species issues. I mentioned earlier that the North American model of funding wildlife conservation in this country has been user pay, and the user is getting tired of paying the whole bill. This is a significant issue for us. As you can see from the pie charts that I showed you earlier, we're constantly looking for alternative funding sources, but it's getting tougher all the time. Absent that, I think all wildlife agencies in this country are going to be looking for new ways of doing business or turning programs substantially.

That's a thumbnail sketch of who we are and what we do. I'm always impressed with the dedication of folks in the wildlife business. Most of them come to us right out of college, stay for 30 years until they run out of gas, and then go enjoy all the fruits of their labors. We couldn't get the job done without that dedication.

**Assemblyman Marvel:**

Terry, what's the status of the lawsuit on discrimination on big game? Is that in court right now?

**Terry Crawforth:**

Yes. Actually, there are five litigations concerning non-residents who wish to have a bigger, more significant opportunity to hunt big game in states. There is litigation that's just basically wrapped up in Arizona, Nevada, Wyoming, North Dakota, and Illinois. Similar issues, they revolve around the commerce clause or the silence thereof in the *United States Constitution* concerning the transport of hunters and their costs, et cetera. We have been, the nine wildlife commissioners and myself, sued by those folks to discontinue, if you will, the programs that we have now, basically the quotas that we have, the way they are distributed amongst residents and non-residents.

Based on the Arizona legislation, we have a ruling from the Ninth Circuit that applies to us. We are working on a number of fronts at this time, including litigation. We have filed some motions in federal district court in Las Vegas



concerning our litigation. We are still waiting to hear from the court on that, so we don't have an answer out there.

**Assemblyman Marvel:**

What'll that do for your revenue? Do you have an idea?

**Terry Cawforth:**

Make it nonexistent, I guess. I think we're confident that, either through federal legislation or litigation, we can work toward a resolution of that issue. Timing is of a concern to us because we've just set the big game hunting seasons, and we'll be establishing the number of animals that can be safely harvested here in a few months. If we were to be unsuccessful in litigation, then we could have a situation where we might not have a hunt this year.

**Assemblyman Marvel:**

That's a states' rights issue, isn't it?

**Terry Cawforth:**

That would cost us several million dollars, and we already have some significant cash flow issues.

**Assemblyman Marvel:**

Isn't it pretty well recognized that you manage the wildlife in the state of Nevada, the state resources?

**Terry Cawforth:**

With some exceptions for migratory wildlife, that's been a long-accepted principle in this country that wildlife is property of the state, if you will, and that the state manages them and the associated recreation.

**Assemblyman Marvel:**

Wasn't that argument used in Arizona?

**Terry Cawforth:**

Yes.

**Assemblyman Marvel:**

They lost, didn't they?

**Terry Cawforth:**

Yes. They won in federal district court and lost in the Ninth Circuit.

**Assemblyman Marvel:**

That stands to reason. I appreciate you and your Department and the people working on the sage grouse problem, because I think you grabbed hold of it. I'd like to thank the Governor for bringing together that committee, because, thank goodness, it didn't get listed. You're to be commended for the work you did.

**Terry Cawforth:**

Thank you, Mr. Marvel. We appreciate your representing the Nevada Legislature on that group, too.

**Chairman Claborn:**

I've got a couple questions I'd like to ask. We had the opportunity to visit the Steptoe, one of our programs that Wildlife and NDOT [Nevada Department of Transportation] have put on. I've got pictures here. I'm going to pass them on down. Could you explain to the Committee what this Steptoe Valley is and what it's all about and why it came about and how it came about?

**Terry Cawforth:**

The 3C Ranch, which stood for Consolidated Copper Corporation, just south of Ely, has operated about a 7,000-acre ranch with a 25,000-acre grazing allotment and basically the water rights to all the water in that particular drainage for various ownership through that for almost 100 years. We've been interested in acquiring that facility for quite a while. We were finally able to put together a deal on that about 6 years ago and incorporate it into our Wildlife Management Area System as the Steptoe Wildlife Management Area. We are now managing that area exclusively for wildlife purposes, although we retain some agriculture in it and grazing as a management tool on the area.

It has allowed us to keep Cave Lake and Cumins Reservoir full all year rather than being drawn down for agriculture irrigation. The visitorship at Cave Lake is about 85 percent of Clark County. Cumins Lake has been probably the best trout fishery, probably the best fishery in the state of Nevada for a couple of years now. We grow some great fish as long as we have some water in there. We are involved in reestablishing some wetlands there, and it's allowed us to do some things with elk and antelope and deer and sage grouse. We basically have the water rights to all the water in that particular system, now. It's been a tremendous find, and I know the people of White Pine County appreciate the economic value of it, too.

**Chairman Claborn:**

It's a very good program. It's a beautiful setup we've got out there, and we should all be proud of it. Could you explain to the Committee how the Heritage

Fund works and why it was put together, how it's funded, and what we use the funding for?

**Terry Crawford:**

About 10 or 12 years ago, we had an internal group of employees who were challenged to look for alternative funding sources. One of the recommendations they came up with was for auction tags for big game that people would pay for that were auctioned at various nonprofit organizations like Nevada Bighorns Unlimited, the Fraternity of the Desert Bighorn, the Rocky Mountain Elk Foundation. The receipts for that and a special drawing called Partnership in Wildlife that you could put in for in conjunction with the big game tag applications, the revenues from those two would go into a special state account. The developed principal and the interest could be spent on projects each year that were determined by the Board of Wildlife Commissioners. We have had that program since 1996, and we've done a lot of water developments, wildlife habitat acquisitions, and most of them are in conjunction with volunteer organizations.

One of the issues that we've come across at this point in time, while we have a little over \$3 million in the account—I don't have to tell you what interest rates are like—we have a decreasing ability to use the previous year's interest for those projects. I think 4 years ago we were generating about \$110,000 in interest, and it allowed us to do most of the projects that were applied for. This year we have something around \$60,000 in interest, even though the principal is about twice as big. We're hoping, with the Wildlife Commission, to make some changes in the statute on how we manage that account so that we can get some of that money out on the ground rather than having it all sit in the bank, if you will.

**Chairman Claborn:**

Mr. Robinson hit on our sage grouse development and the lawsuit. That decision really helped us. Could you talk a little bit about that and how that came about? It's just a recent decision, is my understanding.

**Terry Crawford:**

Yes. There are 11 states and 2 Canadian provinces that have sage grouse. Several of us recognized that there were some potential threats to sage grouse that we needed to address, so we banded together to address those proactively rather than waiting for an Endangered Species Act listing and required recovery plan. We put together a document, a Conservation Assessment, which basically identifies where the encyclopedia of sage grouse says we knew it a couple of months ago.

We have almost 70 local area working groups across the range of the sage grouse. They all either have or are developing local area plans for management of sage grouse habitat. I think, based on the findings from the Conservation Assessment that we did and the local area planning groups and the support that it had from all levels of government like our Governor and Legislature, we ended up with that bird not listed. So, we can continue proactive management of sage grouse rather than reactive under the heavy hand of the federal regulations.

**Assemblyman Hogan:**

Clark County is engaged in an effort to do some what we might call outreach for water, reaching to the north. I wondered if that effort, the pipelines connected with it, et cetera, if you feel that will have an impact on wildlife in those areas that are affected. Has your Department had an opportunity to render its information to people involved in that effort?

**Terry Crawford:**

We have some significant concerns about the potential for that and are trying to work from a factual and scientific basis, but yes, we have been involved since its inception and continue to be. We're have a project cooperator and consultant status on every element of it. The involved parties, whether it be the Bureau of Land Management or the Southern Nevada Water Authority that invited us in and exhibited that they are willing to discuss the issues and consider wildlife and mitigation or adjustments to operations.

**Assemblyman Denis:**

I know you've been using the website now for registrations and such. What kind of response are you getting from the hunters and those that register through the website?

**Terry Crawford:**

Our big game tag applications system, we're getting about 80 percent of those people applying online now and find that good. The boat registration system—this is the second year it has been up, and we've got about 25 percent of the people registering their boats, and I think that'll continue to increase.

**Assemblyman Denis:**

Do you actually get comments back from them on the whole process of doing it through the Internet?

**Terry Crawford:**

I couldn't answer that concerning the boat, other than knowing that registering my own boat online was fairly simple. We contracted out the development and

operation of the big game drawing system. In fact, it was partially a result of a privatization move by this Body a number of years ago. We hardly get anything but compliments on that. We've reduced the error rate down—you almost can't make a mistake in applying for a big game tag. So we get a lot of compliments on how those are working.

**Assemblyman Denis:**

If you could just make a brief comment about the cash flow problem. You alluded to it earlier and you also mentioned it in your presentation the other day with the budget.

**Terry Crawford:**

We receive, in the Wildlife account, the bulk of our revenues in the spring. Our license year begins March 1, so people start buying licenses to go fishing and also to apply for big game tags in the spring. So we take in a significant portion of our revenue basically in the first three or four months after March, and, by fall, our revenue stream is pretty low. About the first of the year, the Wildlife account has dropped from several million dollars to several hundred dollars.

That's been an ongoing situation for years that we address through having an adequate reserve, but it really masks a larger problem. Due to inflation and just the cost of doing business, our reserve is—we have the ability to borrow, interest free, from the General Fund, as long as we pay it back in the same fiscal year that we borrowed it. We're finding that we have to borrow more money earlier in the fiscal year every year. I think that's a sign of our fiscal health as much as anything.

I think the solution is finding some alternative, consistent funding sources. We've basically been paying for this largely by hunters and anglers for years. They're concerned, and probably rightly so, about paying much more for the opportunity. I think that, with the amount of programs that we're involved in that benefit all wildlife, that we need to find some other funding sources to fund wildlife management and protection in this state. It's something that almost every state is dealing with.

**Assemblywoman Smith:**

Would you give us a little more detail about your efforts regarding Walker Lake and what you think is going to happen down the road?

**Terry Crawford:**

These interior basin systems that we have in Nevada have been drying and wetting up off and on for thousands of years. We have been very concerned about Walker Lake and the fishery and the health of the whole Walker River

system for a number of years. That system, like the others, always seems to live on a small amount of annual inflow and an occasional flood. In the last 30 years, we have had a couple of floods that brought us out of the dark days. Unfortunately, too many people forgot about dealing with it at that point in time, and then we get back into a drought.

[Terry Crawford, continued.] There are a number of entities right now that are working collaboratively because of litigation that the court has allowed a negotiated settlement there. The primary goal is to find efficiencies to provide more annual inflow water to Walker Lake. For the fishery, it's an issue of dissolved solids in the water. As that gets up to about 14,000 parts per million, fish overwork their livers and kidneys. When it gets to about 15,000–18,000 parts per million, I think we're going to see that entire ecosystem collapse: plankton, forage fish, et cetera. Our goal is to get a shot of water in there now to keep us from going any higher and then figure some long-term solutions.

We took all of the water we have at the Mason Valley Wildlife Management Area last year and removed it from the area and did some projects on the Mason Valley Wildlife Area and sent that water to Walker Lake as one hope to get a fresh-water shot in the arm. Bottom line, it's going to take probably more water than is in the system to bring Walker Lake back to what some people would like to see, but I think there are some collaborative solutions to keep the ecosystem from just collapsing.

**Assemblyman Carpenter:**

Where is the legislation that's being considered to solve this problem of the lawsuit?

**Terry Crawford:**

Senator Reid and Senator Ensign introduced legislation in the Senate last week to confirm that, indeed, Congress recognized that management of wildlife and access to hunting and angling is a state issue. Congressman Udall from Colorado and Congressman Otter from Idaho introduced companion legislation in the House. We hope to get those pieces of legislation taken care of as early in this session of Congress as we can.

**Assemblyman Carpenter:**

Think there's any hope to get it through before you have to not have a season?

**Terry Crawford:**

Our delegation is well aware that we need to have something in about the next six weeks in order to be able to help us for this year.

**Assemblyman Carpenter:**

Is there any talk about appealing this to the Supreme Court?

**Terry Crawford:**

When the Ninth Circuit ruled on the Arizona litigation, a number of states, through the International Association of Fish and Wildlife Agencies, filed an appeal to the U.S. Supreme Court, and they refused to hear it.

**Assemblyman Carpenter:**

Just one more question of local concern: Will the Gallagher Fish Hatchery be closed down when you do the renovation?

**Terry Crawford:**

No, we won't. Gallagher's new enough and in a condition that we can continue a significant portion of the operations there. We won't have to completely defish the hatchery like we've had to do at Lake Mead. All the personnel will stay on-site with the exception of one vacancy. We'll leave that one vacant while we do some of the restructuring. We've increased our production in our spring facility in White Pine County in order to compensate for it, but it won't be a total shut-down like Lake Mead was.

**Assemblyman Hogan:**

You made reference to a set of 2004–2009 goals that were adopted by your agency. I think the new members of the Committee, not being familiar with that, would like to know more about it. It may be more appropriate just to furnish us copies of it, rather than take your time now, but it will be presented in a future hearing.

**Terry Crawford:**

I would be delighted to provide you with findings from our last strategic plan and a copy of the current one.

**Chairman Claborn:**

Thanks for coming in, Mr. Crawford. Our next presentation will be by Mr. Don Henderson, Director of [the Department of] Agriculture.

**Don Henderson, Director, Department of Agriculture:**

[Introduced himself and Rick Gimlin. Read from prepared notes, [Exhibit C.](#)]  
Thank you, Mr. Chair. We appreciate the opportunity to update you as to the activities and the challenges facing the Department of Agriculture.

You have a handout ([Exhibit D](#)) that I'll work through to provide you with an overview and update on the Department, highlighting some of the activities that may be of interest to you.

[Don Henderson, continued.] The Department of Agriculture has been around for a good long while in state government, and we're pretty familiar with this Committee. I'll focus on what has transpired over the past year and a half. However, for those of you who'd like to learn more about the Department, in the back of your packet, there's a brochure ([Exhibit E](#)) that goes into much detail as to what our mission is, how long we've been around, and how we are organized.

The mission of the Department is "To benefit the welfare of all persons residing in the state by encouraging the advancement and protection of Nevada's agriculture and related industries." The point I'd like to make about that mission statement is the Department doesn't deal just with production agriculture or the raising of crops and livestock. We get involved with much more.

- The Department sets and tests motor fuel standards for the state.
- The Department regulates and oversees the commercial plant nursery industry and pest control operators.
- The Department is involved with testing and certifying the accuracy of all measuring devices used in commerce throughout the state—everything from the local gas pump to the grocery scale to large mining scales that they are weighing their large equipment on.

We have a varied background. With that brief overview, I would like to direct you to page 1 in your packet ([Exhibit D](#)). We go in some detail into the Department's vision, mission statement, and the goals that we operate under.

Next, I would like to direct you to page 2, which is an organizational chart of the agency. A point I'd like to emphasize on this chart is that we have some new faces within the Department that I'd like to introduce you to. For instance, last session, I was serving as Acting Director to the Department of Agriculture. In October 2003, the Board of Agriculture and Governor Guinn appointed me as Director. In January of this year, Rick Gimlin moved over from his previous position as Administrative Services Officer and assumed the position of Deputy Director within the Department.



[Don Henderson, continued.] Taking Rick's place as Administrative Services Officer is Doug Perry, who came to us from the Department of Human Resources. Another new face is Mark Jensen, who started as a new State Director with the USDA Wildlife Services. As a cooperative state and federal program, Mr. Jensen also serves in the capacity of administrator in the Department's Division of Resource Protection.

Other members of the management team who are here with me today include Dr. David Thain, our State Veterinarian and Administrator of the Division of Animal Industry; John O'Brien, Acting Administrator for the Division of Plant Industry, our largest division; Steve Grabski, our Administrator of the Division of Measurement Standards; and last, by no means least, our own James Connelley, who serves in the capacity of Administrator for both the Division of Livestock Inspection and the Agricultural Enforcement Unit.

I'm proud of these guys; they do a good job for the state, and, at the same time, they make me look good. They are here today not only for me to introduce them to you, but also to back me up if you have any questions that I can't handle.

Also in this chart on page 2 ([Exhibit D](#)), it indicates the Department currently employs just under 100 full-time-equivalent positions. We have five offices located in Reno, Sparks, Las Vegas, Winnemucca, and Elko. We also have over 150 intermittent positions that are located throughout the state. Most of these intermittent employees are part-time brand inspectors who work in our Division of Livestock Inspection for Jim Connelley on a time/materials basis. This Division and the Livestock Brands Program is solely a fee-based program funded by the industry.

Another interesting fact about the Department that amazes me every time I think about it is that, within this small agency of 100 full-time positions, we administer over 70 individual state and federal programs. That's a lot of ground for a small agency to cover.

Now I'd like to update you on some programs that might be of interest to you. The first is found on page 3 of your handout—the Virginia Range Estray Horse Program. This is a program that makes the headlines every once in a while. In 1997, the Nevada Legislature asked the Department to manage this estray, or feral, horse herd, which is located in the mountains just immediately northeast of Carson City.

On page 3, you can see a map of this herd area, which comprises about 300,000 acres. The relative boundaries denoted in red on this map include the

Carson River to the south, east to Silver Springs, north along Alternate Highway 95 to Fernley, west along the Truckee River or I-80, back to Reno, and then down to Carson again.

[Don Henderson, continued.] As noted in the chart at the bottom of page 3, The Department has taken an annual census of this horse herd since the spring of 1997. Starting in January 2003, these aerial censuses have been standardized to be held in the winter for more accurate head counts. The chart at the bottom right side of page 3 ([Exhibit D](#)) shows the number of horses that have been removed from the Virginia Range and have been adopted to good homes. To date, the Department has been able to find adopters for these horses and has not resorted to sale authority or to open sale.

**Assemblyman Marvel:**

What's the carrying capacity of the Virginia Range for horses?

**Don Henderson:**

That's something that's going to be difficult, and only time will tell. Right now, we're shooting for a herd size of about 500–600 head and see how that fits. One of the problems we have in this area is that it is an area that is rapidly developing. We're losing habitat all the time, so it will shrink over time, but for right now, if we can get down to 500 or 600 head, that would be a wonderful start, considering that we started with about 900–1000 a couple of years ago.

**Assemblyman Marvel:**

How'd the sale go the other day up at the prison?

**Don Henderson:**

It went very well. In fact, the upside of that is that our state horses are gaining on the BLM [U.S. Bureau of Land Management] on some of the sale prices. That is nice to see.

**Assemblyman Carpenter:**

The horses that you adopt out there are not all from the Virginia Range, or are they?

**Don Henderson:**

The horses that the Department of Agriculture adopt are all from the Virginia Range. There is a training program at the Warm Springs Correctional Center where they take both BLM horses and state horses and gentle those horses, and they sell them through adoption. They only handle about 12 to 16 horses a quarter, so it's not a lot of horses. You can see we're gathering more horses

than the capacity of that program to train and gentle, so the majority of our horses are adopted out as untrained animals.

**Assemblyman Carpenter:**

Are they trying to expand that program? What's happening?

**Don Henderson:**

Part of the problem with that program is they have one trainer, a wonderful trainer, a gentleman by the name of Hank Curry, a wonderful trainer who works with those inmates. One of the problems we have is that the prison, Warm Springs, has become a medium-security prison, and the inmates rotate through much more quickly. Most of them only stay for two or three years. Hank can only train so many inmates at a time to get them to do a good job of training or gentling these horses, so we've hit a limitation based upon having one trainer. Also, the area is getting somewhat restricted. I would say we've met the capacity of that particular facility to train or to gentle horses at this point. We're talking 16 to 15 horses every quarter.

**Assemblyman Carpenter:**

What about Ely? Is there any thought of moving the program out there?

**Don Henderson:**

You'd have to talk to the Department of Corrections on that. I'm not sure what their plans are. I do know at the Northern Nevada Correctional Center they've opened a 600-head holding facility that they contract to the Bureau of Land Management. I think the Department of Corrections thinks that there might be some funding involved with these programs, and it wouldn't surprise me if they look at expanding this program. What's going to be key, though, is finding good trainers to train these inmates. They have plenty of inmates; the limitation is the trainers.

**Assemblyman Marvel:**

That's maximum security over there [at Ely State Prison].

**Don Henderson:**

Yes, they might be there for a bit longer, too.

**Assemblyman Denis:**

On the chart on page 3 ([Exhibit D](#)) showing the annual adoption numbers, why did the figure go from 166 in 2001, up to 357 in 2002, and then back down to 151?

**Don Henderson:**

I can explain that. Our gathering of horses is dependent upon two things:

1. The funding that we get. In 2001–2002, the Legislature added \$80,000 to our program, which freed up some money. The other factor at play here is that we were able to secure some federal funding to remove these horses.
2. The other aspect besides just having the funds to pay expenses— most of which are helicopter gathers, which is an expensive proposition—is that we are very careful not to remove more horses than we feel we can adopt out, without having them go to sale.

We're balancing the two factors. Our hope is that we can gather somewhere between 250 and 300 horses a year, get them adopted out, and over the course of five or six years, get down to that 500- to 600-head herd size.

**Assemblyman Denis:**

So when we went to 2003 and the number dropped down, is that because the funding dropped also?

**David Thain, DVM, State Veterinarian and Administrator, Division of Animal Industry, Nevada Department of Agriculture:**

[Introduced himself.] In 2002, we had some federal funds to do an aerial gather. At that time we took a little over 200 head of horses off in one aerial gather. In 2003 we didn't have any funds to do an aerial gather, then, in 2004, we again had some funds to do an aerial gather. That's where we get the discrepancy. Our helicopter time typically runs about \$550 to \$650 dollars per hour. On these gathers, we take two full days to get set up, get the gathering done, and get them...

**Assemblyman Denis:**

Is there a fiscal benefit to the number of adoptions we accomplish? Are we saving money on one side or...

**David Thain:**

When I set these gathers up, I try to line up adopters ahead of time, so when we get the horses in, we get them processed. By processed, I mean we take a blood sample from each horse for a Coggins test, which is for equine infectious anemia. We vaccinate each horse for a multitude of diseases, and then we put a freeze mark on the left side of the neck to designate each as an estray horse. The freeze mark is an "N" for Nevada. Then I get the horses out as quickly as possible, because we pay a rate of \$2.50 or \$2.75 per horse per day to hold

these horses down at our Carson City facility, which is on state prison property. I try to get them geared up, because if we keep 100 horses a day there for any length of time, it starts to eat us out of house and home.

**Assemblyman Grady:**

You're only talking here about the Virginia Range, but you're gathering horses all over the state, aren't you? Or are the others all gathered by the BLM?

**Don Henderson:**

All the others are gathered by BLM.

The other thing I'd like to point about this particular program is that the Department, through Dr. Thain and his staff, is working with researchers from the UNR [University of Nevada, Reno] College of Agriculture, Penn State [The Pennsylvania State University], and the USDA [U.S. Department of Agriculture] Wildlife Service Research Laboratory, to test and evaluate means of contraception in estray horses. To date, two vaccines hold some promise, and the Department is working with these researchers to conduct field trials to evaluate these products.

**Assemblyman Goicoechea:**

It appears from these numbers that your recruitment exceeds that of the BLM on the Virginia Foothills. Do you have any comment on that?

**Don Henderson:**

I would question that. Until January 2003, the censuses were conducted at different times. I don't think it's a very fair evaluation to go across years. According to the figure I've seen, we're at a 20–25 percent recruitment rate, which, I believe, is what the BLM estimates theirs are.

**Assemblyman Goicoechea:**

Yes, I think that's correct, at least 25 percent, according to the numbers on your census.

Have you been able to adopt every animal out? Are you that selective as you're making these gathers, or have you had to dispose of any? The State of Nevada has the ability to sell a stray animal. Are there some that haven't been adopted and ultimately went down the road?

**David Thain:**

No, we've been able to place, through adoption, every horse. I wouldn't kid you. We have not charged fees on every horse to get them placed, but we have

placed them, and we have not resorted to an open sale on any horse. There have been some horses that have been put down, either through accidents during capture or due to health reasons once we got them captured, but we have been able to place every horse.

**Assemblyman Goicoechea:**

You are, in fact, returning some of these animals back after capture? You're somewhat selective in that process.

**Don Henderson:**

Some we have. It's been a very low number. We don't encourage that. David and I were just saying the other day that if we could get down to that 500-head level, then maybe there would be an opportunity to introduce some new blood up there and improve the herd genetics. At this point, though, that is not a real goal of ours. Every once in a while, we'll have captured a fairly good-looking horse, and if the local residents want to see it placed back out, we'll move it back up on the mountain. However, that's very infrequent.

On the top of page 4 ([Exhibit D](#)) of your packets is a summary of the Mormon cricket and grasshopper program that the Department ran last year, assisted by a \$6.7 million no-year grant from the federal government. The Department worked with the USDA Animal and Plant Health Inspection Service, the BLM, county governments, and the public to conduct a very aggressive cricket control program last year. In all, 272,000 acres were sprayed, and over 80 tons of carbaryl bait were applied to areas infested by Mormon crickets. Comparing this activity to what we did in 2003, where we treated 72,000 acres, we almost tripled the area we treated in 2003.

The grant money was also used to reimburse producers for expenses incurred in battling clear-winged grasshopper infestations across northern Nevada. These grasshoppers infested over 100,000 acres of native and improved pastures. The reimbursements in this program amounted to about \$90,000.

The total cost of the program, grasshoppers and crickets, over the last year approached \$1.3 million. We are currently gearing up to run about the same level of program over this coming spring. Are there any questions on this program?

**Assemblyman Goicoechea:**

I think we've got the best program going right now, especially in northeastern Nevada: three feet of snow. I think we will have it under control.

**Chairman Claborn:**

If these folks haven't seen these crickets, as the old saying goes, "You ain't seen nothin' yet." I got my first glimpse of them up in Winnemucca when we went on a mining tour. I couldn't believe my eyes. There were billions of those things. Maybe we'll get to see some—I hope not, because we don't need them around here—but this Committee might get a chance to view them as I did.

**Don Henderson:**

The best control method for the crickets is a cold, wet spring right after they hatch. That's the best time. Let Mother Nature take care of the job. So keep your fingers crossed.

Starting at the bottom of page 4 ([Exhibit D](#)), there is a summary and overview of the Agriculture Inspection and Enforcement Program. This program was established during the 2001 Session. The program provides mobile points of entry for the enforcement of Titles 49 and 50 of *Nevada Revised Statutes* (NRS), and numerous other chapters relating to agricultural products, commodities, and livestock entering and transiting the state. Basically, we have a very small mobile workforce out there patrolling state highways, checking vehicles that are hauling agricultural products, and also going to the point of sale or transit for nursery products.

The mission of the Agriculture Enforcement Unit is to protect the people of Nevada, its agricultural industry, and food supply from either illegal or unintentional importation of plant and animal diseases, pests, noxious weeds, theft, and unfair business practices. Statistics from this program over the past two years are summarized in a table found on page 5 ([Exhibit D](#)). I would point out that this program is very much in its early stages, and we are running the program on a shoestring budget. We get a lot of bang for our buck, what little money we are able to put into this program.

At the bottom of page 5, there is a brief summary on the West Nile disease, which arrived in Nevada last summer. Surveillance over the past summer has shown that 15 of our 17 counties have had some occurrence of West Nile disease. We would like to stress that West Nile disease is here to stay, although human and animal populations will build up an immunity to this disease over time. The disease is transmitted from birds to humans by mosquitoes. The incidence of human sickness resulting from this disease is very low, less than 1 to 3 percent. It presents the biggest dangers to the very young or the very weak. Historic methods of dealing with diseases like West Nile disease are detection, surveillance, reporting, and public education by state agencies, including the Nevada Division of Health and the Department of Agriculture, and vector, or mosquito, control by local or county governments.

[Don Henderson, continued.] Due to the recent arrival of West Nile disease in Nevada and the lack of established mosquito control in some areas of the state, there may be increased requests for state funding to expand or otherwise increase mosquito control in Nevada.

The point I would like to leave you with is that there is an effective vaccine for horses and, with the publicity we got over the last summer, I'm relatively sure that most horses in Nevada, besides those wild and free-roaming populations, have been vaccinated against this disease.

**Assemblyman Goicoechea:**

How many horses were verified to have died from West Nile disease last season?

**David Thain:**

We had 132 horses diagnosed positive in Nevada last year. We're completing the annual report now with visits with both the owners and the veterinarians involved, but fatalities were probably at about 40 percent, so 40 to 50 horses died. Of those, two were Virginia Range stray horses. We had no reports of BLM wild horses.

**Assemblyman Carpenter:**

It seems to me this could become a terrible problem in places like Elko, where we can get a real mosquito infestation. That's highly possible this year. Is there a vaccine for humans?

**David Thain:**

There is no human vaccine. There are several that are under development through the CDC, the federal Centers for Disease Control, but we're looking at three years out. This could have some really significant impacts on some of these rural communities. We saw similar situations down in Smith Valley last year, in Mason Valley, the Churchill County area, southern Douglas County, where we had significant loss of horses that became involved. We anticipate that following up over the Humboldt River, we'll probably see some significant levels.

**Assemblyman Carpenter:**

People can vaccinate their horses, but what if humans get it? Is there any way to treat them, or what happens?



**David Thain:**

You're getting out of my area of expertise. If we have 150 people who have been exposed to the virus, we will have 15 individuals of that 150 who will develop the serious illness known as West Nile Fever. Of those 15 who become ill, anywhere from 3 to 5 will become hospitalized for serious encephalitis disease known as the neuroinvasive form of West Nile Virus. Of those hospitalized, in all likelihood, 1 individual out of 150 will die of West Nile Virus. We have been, as part of our outreach, visiting with the City and County of Elko, as well as West Wendover, which had a positive bird last year, to bring them up to speed on what's going on in their county. We will be doing mosquito surveillance, and if we can be of any assistance with vector control, we will be more than happy to assist them.

Vector control is primarily a county and local government responsibility. The Department of Agriculture does not get involved with mosquito control directly. We can provide surveillance and testing of mosquitoes. We can work with the local entities, but the local entities need to provide the actual control of mosquitoes.

I'd like to move to the top of page 6 ([Exhibit D](#)) and talk a little bit about our status regarding federal livestock impoundments. There is a portion of the livestock industry that insists that the State of Nevada should protect or provide due process for producers who lose privately held property in livestock impoundments conducted by the federal government on public range lands. The Nevada Attorney General contends that the existing federal procedures, laws, and code of federal regulations provide the necessary due process in these instances. The point is that this is a federal action of impounding livestock. It's a federal responsibility to provide due process.

A recent petition for judicial confirmation filed by the Nevada Attorney General on these issues was denied primarily due to standing. That whole process left further questions and uncertainty. There could be some non-agency-supported legislation offered this session to modify existing state brand laws to require a court order before the Department of Agriculture issues a brand inspection certificate in these federal impoundments.

The point I'd like to make to this Committee is that the existing state brand laws are strong, progressive, and comprehensive, and do not require amendment to adequately address this issue. We have been talking with the Bureau of Land Management, and the problem they face in meeting this, in having a court decision or court order, is that their lawyers are the U.S. Justice Department, and the U.S. Justice Department in the past has not put a high priority on BLM livestock impoundments.

[David Thain, continued.] However, the U.S. Justice Department, after being pressured by the Nevada BLM, has agreed to obtain a court order or at least a court decision before the BLM impounds any further livestock in Nevada. Based upon this current situation, I would urge this Committee and legislative Body not to consider legislative proposals that would substantially affect our current brand laws that have served us so well over the past century.

**Assemblyman Goicoechea:**

What court would that court order come from? That would clearly be a federal court.

**Don Henderson:**

It would be a federal court, yes, sir.

At the bottom of page 6, there's a status report on the hay buyer licensing and bonding program. Back in the 1950s and '60s, statutes were developed in NRS 576 requiring brokers and dealers purchasing agricultural products from Nevada producers to become licensed and bonded with the Department of Agriculture. These requirements apply to individuals who purchase Nevada agricultural products with the intent of reselling these items on a commercial basis, either outside or within the state, or who purchase these products for their own use outside the state. The intent of these statutes was to provide a level of protection to Nevada producers who are not fully compensated by the buyer during commercial transactions of farm products. This program closely follows a similar program for livestock buyers. Until the advent of the Agriculture Enforcement Unit, which we discussed earlier, the Department did not actively enforce this existing statutory requirement. However, it is being enforced today, with the focus on providing warnings and education to the involved parties.

This development has generated some discussion within the agriculture community on whether the buyer licensing and bonding requirements are still necessary under today's business practices and environment. There may be legislation brought forward by industry this legislative session to either amend or eliminate these existing statutory requirements. The Department is open to ideas on how these statutes can be amended to better reflect current industry needs and has initiated informal discussions with the involved industry to reach this end. We have no bill drafts submitted relative to this particular statute at this time.

With that, Mr. Chairman, I'd like to move to page 7 ([Exhibit D](#)) and a summary of the various capital improvement projects (CIP) the Department has included in

the Governor's recommended budget. I just provide this as some background information for you.

[Don Henderson, continued.] The Department, as I mentioned, maintains a branch office in Elko. Attached to this branch office is an animal laboratory. It is a pretty important facility for the Department. It is located on the property of the Great Basin College, and it has been there since the mid-1970s. Those who have been in Elko for a while know that Great Basin College has grown over the past 30 years to the point where they are outside our fence, and they have a capital improvement project that would occupy our existing building space. Based on the need to relocate the Elko branch office, the State Public Works Board has developed CIP #018, which includes constructing a 6,000-square-foot replacement facility for the Department, located at the Nevada Youth Training Center. Estimated cost for this new construction approaches \$4.3 million. Both of these capital improvement projects, the Great Basin Electrical Technology Building and the Department's replacement, have been linked in a recommending for funding in the Governor's budget.

Recently, the Department has identified an existing commercial property in Elko that is for sale and is particularly well-suited to meet the current and future needs for the Department. The GSL Electrical Building, of which there is a photograph in your packet ([Exhibit D](#)), was built in 1997 and, with some minor renovation and modification, would meet or exceed the facilities proposed in the existing CIP #018. Estimated costs to purchase, renovate, and furnish this commercial property for use by the Department fall below \$2 million, resulting in a potential savings to the state of \$2.3 million when compared to the new construction costs currently proposed in Project #018.

Based on this potential savings and the amenities offered by the building, \$30,000 was approved at the January 12 Interim Finance Committee meeting as earnest money to determine if a suitable purchase agreement could be negotiated with the owner of the GSL property. Conditions for this purchase agreement will be predicated upon approval of the needed funding by this Legislature. These negotiations are currently underway, and, if successful and a purchase option agreement is signed, CIP #018 would be modified at that time to reflect the cost to purchase and renovate the GSL Building.

As I mentioned, the expected cost savings to the State are \$2.3 million. It is our hope that this savings could be applied to another capital improvement project that's a priority to the Department, and that is the development of construction plans and contract documents for a new Department headquarters located in Sparks in conjunction with our Division of Weights and Measures facility. Cost for these construction documents approach \$1.3 million.

[Don Henderson, continued.] Finally, on page 8 of your packet ([Exhibit D](#)), there are four bills the Department has submitted for this session. The first three will likely come through this Committee. I would like to briefly summarize them for you:

- The first one is identified as BDR 658. That is an incorrect number; it is actually BDR 648 ([S.B. 192](#)). It revises NRS Chapters 501 and 571. The amendment would prohibit the entry of wildlife species, limited to deer and elk, that are known to carry chronic wasting disease into Nevada and would eliminate elk from the designation of alternative livestock. This legislation is being supported by the Nevada Department of Wildlife and sportsman groups, and it is a needed action to help prevent or at least reduce the potential introduction of chronic wasting disease into Nevada.
- BDR 657 ([A.B. 32](#)) revises NRS Chapter 561. This amendment would protect confidential business and proprietary information the Department of Agriculture is required by state statute or federal law to collect.
- BDR 658 ([S.B. 295](#)) affects NRS Chapter 590. Changes include standardizing alternative fuels in our statutes, clarifying the standards for advertising motor vehicle fuel, and adjusting the penalty sections for violations of motor vehicle fuel requirements.

That concludes my prepared presentation. I would be happy to answer any remaining questions. Also, the Department would welcome an invitation to come back to this Committee and talk more about our various programs.

**Assemblyman Goicoechea:**

We're all going to miss Dr. [Bruce] Branscomb tremendously now that he's left Elko. Back to the Elko Department of Agriculture Building that you're renovating and the animal diagnostic lab that you're going to roll into that—just exactly who are you going to staff that with, and just what kinds of services are you going to supply?

**David Thain:**

Beginning January 24, we started Dr. Dan Crowell, who has extensive experience in feedlot medicine and lately has been the Chief of the Division of Animal Industry of the State of Idaho. It looks like he is going to fit really well in the Elko community. Dr. Branscomb has made a point of taking him around and introducing him. There is no way we are going to be able to replace the expertise of Dr. Branscomb, which was acquired over time, but I think Dr. Crowell will add a significant component.

Our current plan is not to drop any diagnostic capabilities at the Elko facility. If possible, we are going to expand them.

**Assemblyman Hogan:**

At the bottom of page 7 of your presentation, it states that the estimated cost for construction plans and documents is \$1.3 million. Is that intended to say the estimated cost of the project?

**Don Henderson:**

No, sir, that is just the plan and construction documents. I believe the current estimate for this new headquarters building approaches \$19 million. Our current property where we've been located since 1960, is in Reno. It is leased office space. We maintain a lot of laboratories and, quite frankly, we've outgrown it. Our laboratories have been compared by some people to a third-world country's laboratories. There is a real need for us to upgrade. This has been a 15-year effort by the Department to get into upgraded and expanded office space, and it is really needed. Quite frankly, we're at the point where it's affecting my abilities to recruit staff to work for the Department. That's how bad our office space has gotten.

**Assemblyman Hogan:**

The Governor's budget does not yet include provision for the construction cost?

**Don Henderson:**

No, it does not, but it does include the \$1.3 million for development of construction plans and documents.

**Assemblyman Hogan:**

I just want clarification about the Virginia Range Estray Horse Program. There are several references to efforts at contraception. Has either our Agriculture Department or the BLM reached the point of carrying that program out, or is it all still research?

**David Thain:**

The BLM has had a drug on the market; it's a vaccine called a PZP [Porcine Zona Pellucida] vaccine that requires an annual dose. The problem with annual treatment of horses is you've got to capture them. The drug itself costs about \$150, and you're looking at about \$150 worth of capture costs. One of my goals is to come up with a better product that lasts longer. We're looking at two products. We started a field trial with one of them last spring, and we're going to expand that this year. These two products go beyond a year. One of

them looks like it's going to have a two- to three-year average length of contraception, the other one potentially three to four years.

**Assemblyman Carpenter:**

I'd just like to thank the Department for sending Gary McCuin up there to help us with some problems that we had in Elko in regard to some proposed livestock reductions on the Forest Service up there, and he really helped us a lot. So we were able to head off some of the situations that could have gotten rather ugly, and I want to thank you for that.

**Don Henderson:**

It was our pleasure. We do have a Range Management or Natural Resource Program that I did not touch upon today. That is one thing I would be happy to come back and speak to you on.

**Chairman Claborn:**

I assure you you will be back. Are there any more questions? Is there any old business to come before this Committee?

**Assemblyman Goicoechea:**

We discussed, at a meeting last week, the possibility of introducing a resolution pertaining to containment and securement in the transport of hay and forage products in Nevada as required by commodity-specific regulations and at option of the USDOT [U.S. Department of Transportation]. I know that you have also had some discussion since then with different people. I am looking at trying to bring a resolution forward, possibly one to go to Washington, requesting an amendment to the USDOT regulations. I would like to see that come forward with the Committee's blessing. I would like to have a hearing in this Committee with some presenters from the industry explaining why they feel the need for the change.

**Chairman Claborn:**

We have no problem with bringing that in. It's a safety resolution, and the Committee is all for safety and protection of our constituents. We welcome it. I'll help you on it.

**Assemblyman Goicoechea:**

Would you like me to go ahead and pursue that? Then we can schedule a hearing and a time for the resolution.

ASSEMBLYMAN MARVEL MOVED TO REQUEST A DRAFT OF A  
RESOLUTION TO THE NEVADA CONGRESSIONAL DELEGATION  
REQUESTING AN AMENDMENT TO THE REGULATIONS OF THE

UNITED STATES DEPARTMENT OF TRANSPORTATION  
REGARDING THE TRANSPORT OF HAY AND FORAGE PRODUCTS.

ASSEMBLYWOMAN OHRENSCHALL SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

**Chairman Claborn:**

Is there any new business? Are there any comments? Hearing none, we are adjourned [at 3:17 p.m.].

RESPECTFULLY SUBMITTED:

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Mary Garcia  
Committee Attaché

APPROVED BY:

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Assemblyman Jerry D. Claborn, Chairman

DATE: \_\_\_\_\_

## EXHIBITS

**Committee Name: Assembly Committee on Natural Resources, Agriculture, and Mining**

**Date: February 14, 2005 Time of Meeting: 1:30 p.m.**

[illegible]



[illegible]