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

Seventy-Third Session April 27, 2005

The Committee on Natural Resources, Agriculture, and Mining was called to order at 1:31 p.m., on Wednesday, April 27, 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:

Senator Dina Titus, Clark County Senatorial District No. 7

STAFF MEMBERS PRESENT:

Amber Joiner, Committee Policy Analyst Mary Garcia, Committee Attaché Sarah Gibson, Committee Attaché Matthew Mowbray, Committee Assistant

OTHERS PRESENT:

Terry Crawforth, Director, Nevada Department of Wildlife
Doug Busselman, Executive Vice President, Nevada Farm Bureau
Kaitlin Backlund, Political Director, Nevada Conservation League
Pamela Wilcox, Administrator and State Land Registrar, Division of State
Lands, Nevada Department of Conservation and Natural Resources
Allen Biaggi, Director, Nevada Department of Conservation and Natural
Resources

David Morrow, Administrator, Division of State Parks, Nevada Department of Conservation and Natural Resources

Chairman Claborn:

[Meeting called to order. Roll called.] We have three short bills to cover today. We will begin with <u>S.C.R. 15</u>; it was sponsored by the Senate Committee on Natural Resources on behalf of the Legislative Committee on Public Lands. We have Assemblyman Marvel, Mr. Crawforth, and Mr. Busselman to present the bill

[LCB staff submitted analysis for the three bills to be heard (Exhibit B).]

<u>Senate Concurrent Resolution 15:</u> Commends participants in effort to prevent listing of sage grouse as threatened or endangered species and encourages continued conservation efforts. (BDR R-430)

Assemblyman John Marvel, Assembly District No. 32, Humboldt, Lander, and Washoe (part):

I am the Vice Chairman of the Committee on Public Lands, where <u>S.C.R. 15</u> originated. The resolution is self-explanatory and tells the serious consequences if the sage grouse were listed as an endangered species. Mr. Crawforth did an excellent job, along with the Farm Bureau, in putting together a program to preserve the sage grouse.

Terry Crawforth, Director, Nevada Department of Wildlife:

Mr. Marvel represented the Nevada Legislature on the Governor's Committee on Sage Grouse Conservation. There has been concern over the status of the sage grouse in the Western United States. Currently, about 350,000 breeding sage grouse occupy about a million acres in 11 states and provinces.

We wanted to try a new approach regarding the Endangered Species Act [of 1973]. This was a proactive effort prior to any potential listing. We gathered a

group of local people best suited to develop projects for the continued health of the sage grouse populations.

[Terry Crawforth, continued.] We were very successful in Nevada and have been the leader in this process range-wide. The U.S. Fish and Wildlife Service has not found it necessary to include the greater sage grouse on its list, except for a very small population of them in the state of Washington. The importance of this resolution is the need to continue to encourage the local volunteer participation in sage grouse conservation.

Doug Busselman, Executive Vice President, Nevada Farm Bureau:

Most of the details have been discussed in regard to <u>S.C.R. 15</u>. The work that was carried out in the proactive effort of conservation planning for the sage grouse has precluded them from being listed as an endangered species.

The best thing we learned was the importance of getting out ahead of the federal regulations and working proactively to bring about the kinds of solutions needed in resource management to accomplish the objectives. People working together can make a difference. From those who were involved from the beginning in August 2000 to the many still active local working groups, the citizens of Nevada came together to make this happen. The role of the cooperative extension in the facilitation of local working groups is mentioned in the resolution.

We have to recognize that we don't have to do things the way we have done in the past. We can actually solve problems instead of regulating people into compliance against their will. We encourage this Committee to take favorable action on this resolution.

Assemblyman Marvel:

The great thing about the Governor's Committee was that it was proactive and not reactive. The efforts of Terry Crawforth, Doug Busselman, and everyone from their departments made this possible. We had great support from U.S. Fish and Wildlife, BLM [Bureau of Land Management], and U.S. Forest Service. There are a lot of people who have to be commended.

Chairman Claborn:

Thank you, Mr. Marvel. I agree with you totally. They did an excellent job. I sat on that Committee as well.

Kaitlin Backlund, Political Director, Nevada Conservation League:

We would like to go on record in support of this resolution. Our organization was not directly involved in the efforts, but we do commend those that were put forward.

Chairman Claborn:

We will close the hearing on S.C.R. 15.

Assemblyman Carpenter:

I wanted to have on the record the efforts of the Elko working group in this and to recognize Leda Collard for her leadership. I want to thank them for all their work and the effort they put into this.

ASSEMBLYMAN GRADY MOVED TO ADOPT SENATE CONCURRENT RESOLUTION 15.

ASSEMBLYMAN CARPENTER SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Ohrenschall was not present for the vote.)

Chairman Claborn:

We will open the hearing on S.B. 294.

<u>Senate Bill 294:</u> Revises provisions governing distribution of grants of money by State Conservation Commission to conservation districts. (BDR 49-1154)

Pamela Wilcox, Administrator and State Land Registrar, Division of State Lands, Nevada Department of Conservation and Natural Resources:

This bill has to do with our conservation district program. The state has 28 conservation districts. Each of them has a local board comprised of elected and appointed local people, and each develops programs unique for resource conservation in their area.

The State Conservation Commission and the Division of Conservation Districts provide support services and regulatory oversight to these conservation districts statewide. One of the types of support we provide is grant funds. Every year

the state appropriates \$5,000 per district, which they must match as grant money toward their conservation district program.

[Pamela Wilcox, continued.] Since the last session, we have had opportunities to accept federal dollars into the Division of Conservation Districts. We can pass those monies through as grants to conservation districts. To our surprise, when we contemplated doing that, we found that our grant statute is so narrowly written that it would not allow that. It only covers the specific program for the \$5,000 in State money. All this bill does is broaden the authority of the State Conservation Commission and the Division of Conservation Districts to allow them to accept funds from other sources than just state appropriations. We will then be able to issue those funds as grants to conservation districts.

The State funds would still be distributed equally among the state's conservation districts as they are now. The other grants would be distributed depending upon the grant conditions. For example, if it were funds for water quality projects, we would invite the districts to compete with water quality applications. There are a lot of opportunities to bring more dollars into the conservation district with this program.

Assemblyman Goicoechea:

How much, and what kind of federal dollars are we talking about?

Pam Wilcox:

It depends. NRCS [Natural Resources Conservation Service, U.S. Department of Agriculture] had a program where we thought they were going to get about \$300,000 in funds to be made available to districts. As it turned out, they had to do that program directly and we would be just advising them. Before they were finished, the funds were whittled down to \$100,000. Those are the types of opportunities that are going to come up from time to time.

Assemblywoman Kirkpatrick:

How does the grant process work? If you were to get additional dollars, what is the criterion to apply for that? Right now, everyone gets \$5,000, but if there is additional money, what do you have to do to get that money?

Pam Wilcox:

Currently, the existing process is one in which every district gets the same amount of money as long as they provide the matching funds; it has to be spent, by statute, for their programs, which are statutory.

With these new sources of funds, they still have to spend on the same statutory programs, but there would be additional conditions that would depend on the

grant. If it were an NRCS grant for water quality, they would have to submit applications for projects related to water quality. We would set up a ranking procedure. The State Conservation Commission would make the final decision on which projects would be funded.

Assemblywoman Kirkpatrick:

There would be a criterion and they would compete against each other to see who had the best use for those particular dollars? How often do you think this is going to happen? We need as much money as we can get for our parks and conservation areas. How long do you think these funds will be around? Is it just a one-time thing, or will they diminish over time?

Pam Wilcox:

I do not expect them to be one-time. Conservation districts are very creative. With the money we currently give them, which is about \$140,000, they get matching dollars that total more than \$2 million statewide. They are very innovative; they are volunteers; and they really believe in conservation and get out there and hustle to make projects happen.

I can't give you an amount, but I have every faith that, with this kind of opportunity, district people are going to be out there looking for sources of funds and convincing federal agencies that they can do a good job. These districts are unique. This is a real grassroots program, so their credibility is very high. This will be very successful in bringing in substantial amounts of funds over time.

Assemblyman Denis:

You only applied for these funds one time and couldn't do it because the statutes weren't there?

Pam Wilcox:

We were approached by the federal agency and had to tell them that we could not do it. Earlier, we had been approached by another federal agency in the U.S. Department of Agriculture and told them as well. After that second time, we thought we were missing some great opportunities; we have to get our law fixed. We have never applied because we never had the authority to do so.

Assemblyman Denis:

Is it your plan to have someone applying for grants in the future?

Pam Wilcox:

It is our plan to start looking for these opportunities and putting the word out to those agencies we deal with that we can now do this. This isn't going to take a

lot of our staff time, but we will be filling out grant applications from time to time and pursuing these opportunities for our program.

Assemblyman Denis:

I hope you would take advantage of as many of these opportunities as you can. You may have to come back in the future to seek funds for a staff person to do that. I would hope that, during this biennium, you can go out and see what is available.

The process you have now is just giving out the state funds to everyone. Have you ever done a process where you had to choose one district over another?

Pam Wilcox:

The Division of Conservation Districts has not, although they participated in the advisory group on this NRCS grant that made those decisions. We have experience with doing competitive applications; the Division of State Lands has a competitive grants program which has technical advisory teams set up, criteria, and a process for doing this. Even though we have never done this exact program before, we do have a fair amount of experience with this process.

Assemblyman Denis:

If you haven't done this before, how will we know it will be fairly distributed or whatever?

Pam Wilcox:

The State Conservation Commission, which is appointed by the Governor, will make the ultimate decisions on these matters; they are all conservation district people and understand the programs and their needs.

Assemblyman Goicoechea:

Most federal grants allow for and I assume the state would have the ability to take, some type of an administrative fee out of these grants if they were going to be passed through?

Pam Wilcox:

In our office, we take pride in taking practically nothing out of the grant programs for administration and giving all the money to the groups. I know, as you do, that many of these grants will allow that. In the future, if there is administrative work that needs to be done and that will cost money, we will be exploring that use.

Chairman Claborn:

We will close the hearing on S.B. 294.

ASSEMBLYMAN CARPENTER MOVED TO DO PASS SENATE BILL 294.

ASSEMBLYWOMAN OHRENSCHALL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Chairman Claborn:

We will now open the hearing on S.B. 318.

Senate Bill 318 (1st Reprint): Provides funding for repair and maintenance of state park facilities and grounds. (BDR 35-467)

Senator Dina Titus, Clark County Senatorial District No. 7:

This bill, <u>S.B. 318</u>, allows the Division of State Lands to sell an 80-acre in-holding in the Red Rock Canyon National Conservation Area to the U.S. Department of Interior. This tract, which has been held by the State since 1971, is near Pine Creek Springs, 20 miles west of Las Vegas, Nevada.

I brought information on that tract and additional information on state parks (Exhibit C). The value of the land is estimated at \$16 million. The federal government wants to add the land to the Red Rock Canyon National Conservation Area to be managed by the BLM [Bureau of Land Management] in a more comprehensive, cohesive manner. The purchase would be made by funding acquired from public land sales in southern Nevada that were a part of the SNPLMA [Southern Nevada Public Land Management Act of 1998].

The \$16 million received for that land would be deposited in a new trust fund called the Account for Maintenance for State Park Facilities and Grounds. At the current interest rate of 1.65 percent, which could increase, approximately \$230,000 per year would be generated from the trust fund. The money can then be used for the repair and maintenance of our state parks, which are currently in disrepair due to the lack of resources. These funds would supplement the amount allotted to the parks and enhance long-range planning since it is a more predictable source of revenue. This isn't replacement money but supplemental money.

[Senator Titus, continued.] I also have a list of Nevada State Parks (page 1 of Exhibit D) and a map (page 2 of Exhibit D) of the state showing their locations. Some of the findings by the Nevada Statewide Comprehensive Outdoor Recreation Plan – Assessment and Policy Plan [of 2003] are very interesting. In a survey taken prior to writing this plan, 97 percent of Nevada's residents living in urban areas said that the State's management of public lands was very important; the other 3 percent said it was important. All think that this is a critical issue. When asked if they had visited a Nevada state park during the last year, 58 percent said yes; 84 percent of Nevadans 16 years of age and older said they had been in at least one outdoor recreational, which included driving, picnicking, wildlife viewing, hiking, fishing, camping, boating, photographing nature.

By 2010, the annual participation day estimates are projected to be 277 million days. This plan has inventoried recreational facilities and concluded that existing levels of outdoor recreation funding are inadequate to meet the needs of Nevada. The maintenance of our outdoor recreation areas and facilities has not kept pace with demands created by increases in our population and out-of-state visitors. The backlog of development and maintenance projects is alarming. Funding inadequacies are particularly critical in rural areas. Rural counties with declining populations and weakened economic bases have a difficult time generating revenue for outdoor recreational purposes. Masses from Clark County and other heavily populated areas continue to travel to rural counties to recreate because of the beautiful natural resources and the scenery in the area.

If you add in the reluctance of the Legislature to increase fees to the incredible growth, demand, and lack of resources, you can see how we got into this predicament. Over the last 5 years, we have averaged only \$330,000 for maintenance and repair of our 24 parks; that doesn't go very far. Improving state parks would allow us to develop what is called "the other side of Nevada." It will enhance tourism in our remoter areas of the state and, in turn, bring in much-needed economic development to rural Nevada and provide better places for recreation for our residents of urban Nevada.

The plan concludes: "The vast natural resources found on public lands in Nevada enhance the opportunity to the outdoor recreation needs in the state. Throughout the many public comments received to develop this plan, one can detect a willingness of Nevadans to work cooperative to make Nevada a premier state for natural resource-based tourism and outdoor recreation, at the same time conserving the state's precious natural resources." I would urge you to take the first step in doing that by selling this land, putting it into part of the

Red Rock National Conservation Area, creating a trust fund, and using the interest from the trust fund to improve our state parks.

Assemblyman Marvel:

I have been on Ways and Means since 1981. It always seems that, when we have these budget downturns, parks are always the ones to suffer. I agree with you; this is "the other side of Nevada." If the people or the Legislature ever has an opportunity, they should go and visit some of these parks. We have some of the most beautiful parks in the United States. We don't take enough advantage of them or fund them the way we should.

Assemblyman Goicoechea:

How did the state acquire this property?

Allen Biaggi, Director, Nevada Department of Conservation and Natural Resources:

[Submitted written testimony for the record, <u>Exhibit E</u>] It is unclear to us since none of us were around at that time. It was acquired in the 1970s, apparently through condemnation or some other action, and it has been in the state's resource list ever since. We were very surprised when BLM approached us for the sale of this property.

Assemblyman Goicoechea:

Sixteen million dollars' worth of land is a pleasant surprise. I want to go on record as supporting this bill.

Senator Titus:

Thank you for your support. I wanted to add that by putting the land into the Red Rock National Conservation Area, it can never be developed. It is going to be protected in that conservation area, and we get to use the proceeds to protect our parks.

Assemblyman Marvel:

Was that the [Donald] Trump holdings at one time?

Allen Biaggi:

I don't believe so. It was a private party, but I don't believe it was that private party.

Assemblyman Denis:

Could you repeat again the amount we currently expend on park maintenance?

Senator Titus:

I looked at the budgets and, over the last 5 years, it has averaged \$330,000 for the 24 parks. That doesn't go very far at all.

Assemblyman Denis:

This would almost double that amount, is that correct?

Senator Titus:

At the current interest rate of 1.65 percent, that \$16 million would generate about \$230,000 a year additional.

Assemblyman Denis:

I saw the definition of maintenance in here: "to repair or maintain." What does that really mean as to what you foresee doing?

David Morrow, Administrator, Division of State Parks, Nevada Department of Conservation and Natural Resources:

The intention for this money was to do much-needed repairs. This would be infrastructure, painting, roofing, landscaping, irrigation, and those kinds of repairs of state parks. Throughout the state, we seem to have a backlog of projects that we can't get on top of. At the current rate of funding, we spend that amount of money and the number of projects keeps on growing. The intention is that this is for basic maintenance and upkeep of current park facilities.

Assemblywoman Kirkpatrick:

How long is this process going to take? Are we looking at two to three years down the road? Or is this something that is ready to go upon passage of the bill?

Allen Biaggi:

It will be a multi-year process. Nothing moves very quickly with the BLM or the funding that is anticipated for the purchase. Appraisals of the land and other activities need to occur to ensure that the state is getting a good deal and fair market value. It is important to note that this will have to go before the Interim Finance Committee for approval before the sale can be filed.

Senator Titus:

The BLM approached us and the process is going forward. It is going to happen; it is not a "maybe" or "what if" situation.

Chairman Claborn:

Thank you, Senator Titus. Are there any questions? Mr. Biaggi, you have a presentation?

Allen Biaggi:

What Senator Titus has said and the questions that have been asked today more than adequately explain the situation with this bill. I want to reiterate that we are strongly in support of it. We are glad that Governor Guinn is allowing this concept to more forward. It is a win-win situation.

Kaitlin Backlund, Political Director, Nevada Conservation League:

We would like to go on record in support of <u>S.B. 318</u> and commend Senator Titus for bringing the bill forward.

Chairman Claborn:

Are there any further questions of any of these witnesses? Do we have any opposition on this bill? I will entertain a motion.

ASSEMBLYMAN DENIS MOVED TO DO PASS SENATE BILL 318.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Goicoechea was not present for the vote.)

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We will convene again on Monday at the same time. Is there any further business to come before the Committee? Seeing none, we are adjourned [at 2:09 p.m.].

	RESPECTFULLY SUBMITTED:
	James S. Cassimus Transcribing Attaché
APPROVED BY:	
Assemblyman Jerry D. Claborn, Chairman	_
DATE:	

EXHIBITS

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

Date: April 27, 2005 Time of Meeting: 1:31 p.m.

Bill	Exhibit	Witness / Agency	Description	
	Α		AGENDA	
	В	Amber Joiner, Committee Policy	Analysis of S.B. 294,	
		Analyst	S.B. 318, and S.C.R. 15	
SB 318	С	Senator Titus	Data on the land to be	
			sold under S.B. 318	
SB 318	D	Senator Titus	List of Nevada state parks	
			with map and information	
SB 318	E	Allen Biaggi, Nevada Department	Prepared testimony	
		of Conservation and Natural		
		Resources		