

**MINUTES OF THE
JOINT SUBCOMMITTEE ON PUBLIC SAFETY/NATURAL
RESOURCES/TRANSPORTATION
OF THE SENATE COMMITTEE ON FINANCE
AND THE ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Seventy-fourth Session
April 18, 2007**

The Joint Subcommittee on Public Safety/Natural Resources/Transportation of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order at 8:39 a.m. on Wednesday, April 18, 2007. Chair David R. Parks presided in Room 2134 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Dean A. Rhoads, Chair
Senator Bob Beers
Senator Dina Titus

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblyman David R. Parks, Chair
Assemblyman Tom Grady
Assemblyman Joseph Hogan
Assemblywoman Ellen Koivisto
Assemblywoman Kathy McClain
Assemblywoman Valerie E. Weber

GUEST LEGISLATORS PRESENT:

Senator Maurice E. Washington, Washoe County District No. 2

STAFF MEMBERS PRESENT:

Steven J. Abba, Principal Deputy Fiscal Analyst
Michael J. Chapman, Senior Program Analyst
Jeffrey A. Ferguson, Program Analyst
Larry L. Peri, Principal Deputy Fiscal Analyst
Sandra K. Small, Committee Secretary

OTHERS PRESENT:

James W. Manning, Budget Analyst, Department of Administration
Jim Lawrence, Deputy Administrator, Division of State Lands, State Department of Conservation and Natural Resources
Allen Biaggi, Director, State Department of Conservation and Natural Resources

CHAIR PARKS:

The Subcommittee has received a copy of Closing List #3 ([Exhibit C](#), original is on file in the Research Library). We will begin with the budgets for the Colorado River Commission.

MICHAEL J. CHAPMAN (Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

There are two closing items in Budget Account (B/A) 296-4490, pages 1 through 4 of [Exhibit C](#). The Colorado River Commission (CRC) has 52 positions; as of March 13, 2007, 20 of the positions are vacant; of the 20 vacant positions, 14 have been vacant for a year or more. Page 2 of [Exhibit C](#) lists the 14 vacancies. The CRC has identified a total of five positions that can be eliminated; one has been eliminated in the Base Budget. The Subcommittee may choose to eliminate the additional four positions. The CRC provided staff with justification for the remaining vacant positions.

INFRASTRUCTURE

COLORADO RIVER COMMISSION

CRC - Colorado River Commission – Budget Page CO RIVER COMMISSION-1 (Volume III)

Budget Account 296-4490

Three positions in decision unit E-806 are recommended for reclassification or upgrading, shown on page 2 of [Exhibit C](#). These positions are currently vacant. The two vacant classified accountant positions are recommended for transition to unclassified positions. This reclassification appears reasonable to staff. Included in decision unit E-806 is a salary increase of approximately 5 percent for the power division chief to place the position's compensation on a par with that of the deputy director.

E-806 Unclassified Position Salary Increases – Page CO RIVER COMMISSION-6

The Governor recommended two new positions: a senior power facilities electrician and a power facilities communications technician. The recommendations appear to be reasonable to staff.

The Governor has recommended additional out-of-state travel of \$106,989 in fiscal year (FY) 2007-2008 and \$112,523 in FY 2008-2009. The CRC has identified all of the potential trips. The Subcommittee may want to consider approving either the increase recommended by the Governor, or approving an increase of \$48,964 each year, which would restore out-of-state travel authority to the current Legislatively-approved amount of \$100,144. A third choice would be to recommend an increase to the Base Budget of \$14,339 each year which is the average expenditure incurred in FY 2003-2004 and FY 2004-2005.

Staff did not have any exceptions to the other items on page 4 of [Exhibit C](#). Staff requests authority to make technical adjustments for any revisions to equipment prices and decision unit E-813, which provides for the equity adjustment for unclassified positions.

E-813 Unclassified Step Adjustments – Page CO RIVER COMMISSION-6

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CHAIR PARKS:

Is staff recommending the elimination of four positions in addition to five of the twenty vacant positions?

MR. CHAPMAN:

Of the 20 positions currently vacant, 14 have been vacant more than one year. Of those 14 positions, five are recommended for elimination.

SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE THE ELIMINATION OF ONE POSITION; THE RECLASSIFICATION OF THREE VACANT POSITIONS AS RECOMMENDED BY THE GOVERNOR; AND THE ELIMINATION OF AN ADDITIONAL FOUR POSITIONS AS RECOMMENDED BY STAFF IN BUDGET ACCOUNT 296-4490.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.

SENATOR TITUS:

Is travel included in this motion?

CHAIR PARKS:

No, it is not.

SENATOR TITUS:

What is the net loss or gain in the number of employees in decision unit E-806? Is the salary increase for the power division head included in this motion? The table, on page 2 of [Exhibit C](#), indicates this is a promotion. Is this the same position which received a 5-percent increase last Session?

MR. CHAPMAN:

The Base Budget recommends five positions for elimination. There are two new field positions recommended. The CRC has an employee they would like to promote to power division head. I will find out if this position received a 5-percent increase last Session. This position is included in decision unit E-813 for equity adjustments.

ASSEMBLYWOMAN McCLAIN:

Why are we removing five positions of 14 vacancies and adding 2 new positions? Why not remove five positions and reclassify two of the vacant positions?

MR. CHAPMAN:

The two positions recommended in decision unit E-250 are field positions. The positions listed on page 2 of [Exhibit C](#) are administrative positions. There are two natural resource specialists listed; one is suggested for elimination and the other is working on the Lower Colorado River species program.

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ASSEMBLYWOMAN McCLAIN:

The position number (PCN) 230 was authorized in 2003, never filled, and is not planned to be filled until 2008. The PCN 270 will not be filled until other positions are filled. Why not delete seven positions and reclassify two positions?

CHAIR RHOADS:

Staff previously indicated the CDC has prioritized the vacancy list and agreed to eliminate five positions.

SENATOR TITUS:

There would not be a net decrease of five positions. I agree with others' comments. For instance, the CRC has one position it plans to fill when other positions are filled. That expert could be in the field right now if it was needed. The PCN 270 could be reclassified. The PCN 230 has not been filled since 2003 and is not planned to be filled until 2008 through promotion. Both of these positions could be eliminated. There are several options for eliminating positions.

ASSEMBLY: THE MOTION FAILED. (ASSEMBLYMEN GRADY, HOGAN, KOIVISTO, McCLAIN AND PARKS VOTED NO.)

SENATE: THE MOTION CARRIED. (SENATOR TITUS VOTED NO.)

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ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL TO ELIMINATE FIVE POSITIONS; RECLASSIFY TWO VACANCIES (PCNs 23, 160, 230 OR 270) RATHER THAN ADD TWO NEW POSITIONS; AND INCLUDE THE SALARY INCREASE FOR THE POWER DIVISION HEAD.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATOR BEERS:

Does the Senate side want to make a new motion?

SENATOR BEERS MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL TO ELIMINATE FIVE POSITIONS; RECLASSIFY TWO VACANCIES (PCNs 23, 160, 230 OR 270) RATHER THAN ADD TWO NEW POSITIONS; AND INCLUDE THE SALARY INCREASE FOR THE POWER DIVISION HEAD.

SENATOR TITUS SECONDED THE MOTION.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF AN INCREASE TO THE BASE BUDGET OF \$48,964 TO RESTORE OUT-OF-STATE TRAVEL AUTHORITY TO THE WORK PROGRAM FOR FY 2006-2007 AS RECOMMENDED BY STAFF.

THE MOTION FAILED FOR LACK OF A SECOND.

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ASSEMBLYWOMAN KOIVISTO MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF AN INCREASE TO THE BASE BUDGET OF \$14,339 FOR OUT-OF-STATE TRAVEL FOR A TOTAL OF \$65,519 EACH YEAR OF THE BIENNIUM.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

Staff did not have any exceptions to the remaining items in B/A 296-4490 other than technical adjustments required for potential revised prices.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF THE REMAINDER OF B/A 296/4490 AS RECOMMENDED BY THE GOVERNOR WITH TECHNICAL ADJUSTMENTS BY STAFF.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

The Subcommittee will hear B/A 296-4496, Fort Mohave Development Fund.

CRC - Fort Mohave Development Fund – Budget Page CO RIVER
COMMISSION-9 (Volume III)
Budget Account 296-4496

MR. CHAPMAN:

This budget is covered on pages 5 through 8 of [Exhibit C](#). The Governor's budget includes \$1 million for land sale revenue in FY 2006-2007. The State's accounting system does not reflect this authority. A work program has been submitted to the Budget Division to augment the land sales income by \$1.14 million, in addition to interest and miscellaneous income, as described on

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page 6 of [Exhibit C](#). Item 2, on page 6 of [Exhibit C](#), addresses the ending reserve in this account which appears to be adequate. On March 15, 2007, testimony was heard regarding Senate Bill (S.B.) 301 and the land sale proceeds which were not received in this budget account.

SENATE BILL 301: Clarifies the purposes for which money in the Fort Mohave Valley Development Account may be used. (BDR 26-1317)

ASSEMBLYWOMAN MCCLAIN:

I hope S.B. 301 does not pass since it appropriates \$5 million from the General Fund to replenish the Fort Mohave Development Fund.

CHAIR PARKS:

This bill replaces funds which were used elsewhere.

SENATOR TITUS:

In meetings on S.B. 301, we have been told that the agency used the funds inappropriately to pay off a bad deal which turned out to be a scandal. We never got the power and are now being asked to cover bad judgment.

CHAIR RHOADS:

The Governor's budget does not include S.B. 301.

CHAIR PARKS:

Mr. Chapman has confirmed that we can close this budget without a resolution on S.B. 301.

SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF B/A 296-4496 AS RECOMMENDED BY THE GOVERNOR WITH TECHNICAL ADJUSTMENTS BY STAFF.

SENATOR TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

The Committee will hear B/A 296-4497, CRC Research and Development.

CRC - Research and Development – Budget Page CO RIVER COMMISSION-11
(Volume III)

Budget Account 296-4497

MR. CHAPMAN:

This budget is on page 9 of [Exhibit C](#). Staff recommends closing this account as recommended by the Governor.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF B/A 296-4497 AS RECOMMENDED BY THE GOVERNOR WITH TECHNICAL ADJUSTMENTS BY STAFF.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

The Subcommittee will now hear B/A 502-4501, Power Delivery System.

CRC - Power Delivery System – Budget Page CO RIVER COMMISSION-13
(Volume III)
Budget Account 502-4501

MR. CHAPMAN:

The budget information is included on page 10 of [Exhibit C](#). Staff recommends closing this account as recommended by the Governor.

SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF B/A 502-4501 AS RECOMMENDED BY THE GOVERNOR WITH TECHNICAL ADJUSTMENTS BY STAFF.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

The Subcommittee will move to B/A 505-4502, Power Marketing Fund.

CRC - Power Marketing Fund – Budget Page CO RIVER COMMISSION-16
(Volume III)
Budget Account 502-4502

MR. CHAPMAN:

This budget is described on page 11 of [Exhibit C](#). Staff recommends closing B/A 505-4502 as recommended by the Governor.

SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF B/A 505-4502 AS RECOMMENDED BY THE GOVERNOR WITH TECHNICAL ADJUSTMENTS BY STAFF.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

The Subcommittee will hear the Department of Conservation and Natural Resources (DCNR) budgets, beginning with B/A 101-4151, Division of Conservation Districts.

INFRASTRUCTURE

CONSERVATION AND NATURAL RESOURCES

DCNR - Division of Conservation Districts – Budget Page DCNR-18 (Volume III)
Budget Account 101-4151

JEFFREY A. FERGUSON (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

In the DCNR budgets we will be hearing, there may be budget reductions as requested by the Governor. I have incorporated that information in [Exhibit C](#). However, we have heard there may be a restoration of some of those cuts. Staff recommends closing budgets with the cuts and reinstating the cuts if the Subcommittee chooses as information becomes available.

The Division of Conservation Districts' closing issues are on pages 12 and 13 of [Exhibit C](#). Decision unit E-720 for new equipment is included in the Governor's recommended budget reduction. The printing, mailing costs and out-of-state travel appear reasonable to staff.

E-720 New Equipment – Page DCNR-22

ASSEMBLYWOMAN McCLAIN:

This is getting frustrating. Are we going to close these budgets and perhaps reopen them?

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF B/A 101-4151 AS RECOMMENDED BY THE GOVERNOR; INCLUDING THE BUDGET REDUCTIONS IN DECISION UNIT E-720; AND WITH TECHNICAL ADJUSTMENTS BY STAFF.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

SENATOR BEERS:

Is the source of Assemblywoman McClain's frustration the enhancement decision units are being retained rather than reduced by 60 percent as we were led to believe would happen?

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ASSEMBLYWOMAN MCCLAIN:

I have an overall frustration with staff indicating the Governor's cuts then saying there is a possibility those cuts will be reinstated and we may need to reopen budgets. I probably will never want to reopen closed budgets.

SENATOR BEERS:

Has staff talked with the Budget Division regarding why there has not been a decrease in enhancement units commensurate with what we were led to believe would occur?

MR. FERGUSON:

We have received the budget reductions, as recommended by the agencies and as given to the Department of Administration, so we could incorporate the information into the closing documents. Since that time, we have received information that some of the reductions may be restored. I do not know what was anticipated regarding the percentage amounts of the enhancement cuts.

SENATOR BEERS:

Mr. Gary Ghiggeri told me last night a spreadsheet was received from the Budget Division with \$100 million in enhancement reductions. Is that information incorporated in this closing document?

MR. FERGUSON:

I have not been informed of the \$100 million enhancement reductions. The Subcommittee can close these budgets as it wishes, with or without the budget cuts.

LARRY L. PERI (Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The Fiscal Division received information regarding budget reductions suggested by the agencies and accepted by the Budget Division and the Governor. Last night we received a list restoring a number of those reductions. The list of restorations has not been reviewed and the restorations are not included in the budgets you are hearing today.

ASSEMBLYWOMAN MCCLAIN:

That is my frustration. How many times will the budgets change? The Subcommittee should either close the budgets now or wait until we have complete information.

STEVEN J. ABBA (Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Last night we received a partial list of budget restorations. We are waiting for additional information on revenue issues, one-shot appropriations and other information. The recommendation is to proceed with the information available. There are a number of ways to reopen the budgets later in the process. We need to move forward with the process.

CHAIR PARKS:

The restorations are not included in this motion.

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ASSEMBLYWOMAN MCCLAIN:
That is correct.

JAMES W. MANNING (Budget Analyst, Department of Administration):
All agencies were asked to voluntarily give up funds when a \$100 million shortfall was anticipated. That information was provided to the Budget Division. Since then, additional resources have been found through Medicaid which are substantial. These funds allow agencies to restore their requests.

SENATOR BEERS:
Can the Subcommittees take a month off while the Budget Division gets its act together? Will the restorations affect the DCNR budgets?

MR. FERGUSON:
I have not seen the document. I have seen an unofficial document.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:
The Subcommittee will move forward with B/A 101-4173, State Lands.

DCNR - State Lands – Budget Page DCNR-30 (Volume III)
Budget Account 101-4173

MR. FERGUSON:
The State Lands closing information is on pages 14 through 17 of [Exhibit C](#). The agency has requested \$228,850 in FY 2007-2008 for deferred maintenance at the Winnemucca facility. The table on page 15 of [Exhibit C](#) describes the four maintenance projects and the cost. Two of these items, totaling \$79,000, have the potential for elimination due to voluntary budget reductions. If these two items are eliminated, there will be an additional savings of \$11,850 in Public Works Board fees.

ASSEMBLYWOMAN MCCLAIN:
When we heard the Cultural Affairs budgets yesterday, we removed the M-750 items for inclusion in a bill for the Capital Improvement Programs (CIP). We should consider doing that here too.

M-750 Building Construction Outside Cap – Page DCNR-33

CHAIR PARKS:
My concern is to determine what maintenance is and what capital improvement is. It could be argued that some of the maintenance items could be regarded as capital improvement. To that extent I agree with you, but placing repairs with capital improvements misses the definition. How would the Budget Division handle this situation?

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ASSEMBLYWOMAN McCLAIN:

If we treat the M-750s like we treat the E-811s, where we look at the whole picture at one time, it would be a good idea.

CHAIR PARKS:

I agree with that concept.

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO REMOVE ALL M-750S AND HAVE THEM PLACED IN A BILL FOR ONE-SHOT APPROPRIATIONS.

CHAIR PARKS:

Is that an existing bill or would we be asking for an appropriation bill?

ASSEMBLYWOMAN McCLAIN:

We would be placing all M-750s into a new appropriations bill.

CHAIR PARKS:

If the bill does not pass, we would continue deferring the requested work.

SENATOR TITUS SECONDED THE MOTION.

SENATOR TITUS:

Construction funds are outside the spending cap. Do we need the Fiscal Division or the Legal Division to tell us if maintenance qualifies as construction money and can be outside of the cap? If that is the case, the M-750s can go into the construction budget and it would be a good idea. If it will not go into the construction budget, then the idea does not make much sense.

MR. PERI:

I am not sure if maintenance on existing facilities is the same as an initial capital construction project. We can check on that.

SENATOR TITUS:

In this particular case, we are talking about windows, asbestos and roof replacement; it is construction.

ASSEMBLYWOMAN McCLAIN:

These are onetime maintenance projects. If we move them outside the cap into one-shot appropriations, we may be better able to fund the projects.

CHAIR PARKS:

Does the motion include all of the M-750 items?

ASSEMBLYWOMAN McCLAIN:

The motion includes all of the items in M-750 and all of the budgets in this Department we hear today.

CHAIR PARKS:

We will do motions individually for each budget.

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SENATOR BEERS:

If we are going to make the motions individually for each budget, we need to coordinate this policy with the other subcommittees.

CHAIR PARKS:

As we move on today, we could ask that other M-750s be made part of the same bill.

SENATOR BEERS:

Have we received a legal opinion on this issue?

ASSEMBLYWOMAN MCCLAIN:

We have not asked for an opinion.

SENATOR BEERS:

Should we get an opinion from the Legal Division? I think a discussion has already taken place with the Legal Division.

ASSEMBLYWOMAN MCCLAIN:

If we do that, we need to go with the agency's original request without the Governor's budget reduction.

SENATOR TITUS:

As the person who seconded the motion, I agree.

ASSEMBLYMAN HOGAN:

My understanding of what took place yesterday and what is taking place now is there may be a potential for putting, in total, a sizeable amount of expenditures into this category. If we get verification, we can put the full amount outside the cap on the basis the projects are one-shot expenditures or capital improvements. It may be easier to live with the cap in subsequent sessions if we can be assured this is a legitimate thing to do and that it is practical to do it over a whole series of budgets.

SENATOR BEERS:

This particular budget is under the cap. We are establishing a precedent for future sessions which gives us time to seek an opinion from the Legal Division. One of the alternatives we could exercise this morning would be to close budgets with a provision allowing staff to pull the M-750 decision units out of the budgets and place them in a bill.

CHAIR PARKS:

What happens if the Legal Division says we cannot do this? I have been told maintenance does not count against the cap.

MR. ABBA:

Maintenance projects, such as the items in State Lands, Forestry and State Parks, do not count against the cap because they are considered construction. Onetime appropriations are based upon surplus funds. We would need to determine in which fiscal year the surplus funds are available; whether they are FY 2006-2007, FY 2007-2008 or FY 2008-2009. The funds recommended for deferred maintenance come from ongoing appropriations or ongoing revenues

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based upon the fiscal year the Governor has recommended the funds for the accounts under discussion. A onetime appropriation bill can be requested by the Subcommittee. We would then look at the availability of surplus funds for those projects by fiscal year.

SENATOR BEERS:

We have historically paid for onetime expenditures with ongoing funds. The prohibition is paying for ongoing expenditures with onetime funds. The Fiscal Analysis Division has a long history of going through the budgets for onetime items and taking them out so they are not included in the Base Budget. It probably does not matter if we put these items into a separate bill, because regardless of whether we treat the items as a component of the budget or a separate bill, they will not count against the cap. It may be easier, from a budget management process, if we put the items in a separate budget. Does that make sense?

MR. ABBA:

We do go through a process to pull onetime expenditures out of the Base Budget, including deferred maintenance items.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN PARKS VOTED NO.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. ABBA:

Is the motion for all of the deferred maintenance projects for the DCNR? Does the motion include the budget reductions referenced in the closing documents?

CHAIR PARKS:

We are taking the budgets individually. For this budget, the motion relates to the full \$228,850 amount.

MR. ABBA:

Staff will go through the process of requesting a bill draft. We will need to identify when the surplus funds will be available. It makes a difference when the bill will be effective; if it will be effective upon passage, because funds are available in the current fiscal year, or effective July 1, 2007, because there are funds available in FY 2007-2008.

SENATOR BEERS:

Did we just approve the original Governor's recommended budget without the reduction and enhancement received several weeks ago?

ASSEMBLYWOMAN MCCLAIN:

The discussion was to go with the full amount and open the discussion later regarding whether or not the budget cut is appropriate.

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SENATOR TITUS:

The maintenance items are things deferred long enough. If we do not do something now, the place may fall down. Pay a little bit now or pay a lot more later. We should include the full amount of deferred maintenance without the reductions which were haphazardly determined while looking for budget cuts.

MR. FERGUSON:

Travel and training requests are shown on pages 15 and 16 of [Exhibit C](#). The agency has provided documentation supporting the in-state travel request. The Governor recommends General Funds of \$13,922 for out-of-state travel. The Subcommittee previously asked if Environmental Improvement Program (EIP) funds were available to support some of the travel. However, none one of the trips are related to the EIP program. If the Subcommittee wishes to reduce the cost of travel, it could decrease the recommended out-of-state travel by one-third or one-half which would still represent an increase over base.

CHAIR RHOADS:

The Subcommittee will review in-state travel first.

SENATOR BEERS:

Has the Governor's recommended budget been adjusted?

MR. FERGUSON:

There were no adjustments to in-state travel. I will point out any adjustments as we go through the budgets.

SENATOR BEERS:

We have just reversed one of the agency's reductions to an enhancement. If we now reduce other enhancements, we are arguing with the agency's prioritization of enhancement units. I want to be careful not to do that. We should receive input from the agency before reducing enhancements.

SENATOR TITUS:

The agency is requesting two-thirds of the amount needed for in-state travel because they hope to achieve efficiencies. I do not know if the \$19,864 has been reduced by the two-thirds. If the agency is asked whether they would like to replace the doors on an old building or go to a convention in San Diego, we know what they will answer. I have no problem with cutting travel as opposed to enhancing maintenance. If we cut the travel by one-half and the agency still receives an 85-percent increase, the cost of the doors is covered.

SENATOR BEERS:

Conventions can be productive.

SENATOR TITUS:

The information gained at a convention could possibly be acquired on the Internet.

ASSEMBLYWOMAN MCCLAIN:

In the last motion, we did not restore funding. We decided the one-shot bill could include the entire request. We have not restored the funding because the issue is not yet settled.

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ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF IN-STATE TRAVEL AS RECOMMENDED BY THE GOVERNOR WITH STAFF'S RECOMMENDED ADJUSTMENTS.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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ASSEMBLYWOMAN WEBER:

Pages 15 and 16 of [Exhibit C](#) do not indicate what out-of-state meetings would be excluded. The Land Trust Alliance Conference is important. Nevada has not been represented at those western meetings. Under which of the three options is that conference included?

MR. FERGUSON:

The agency determines what travel and conferences would be attended.

JIM LAWRENCE (Deputy Administrator, Division of State Lands, State Department of Conservation and Natural Resources):

The out-of-state request includes the Western State Lands Commissioners Association meetings. That is where the Land Trust Alliance appears and is the DCNR's only networking opportunity. It is our only opportunity to learn about the means to enhance the value of our school trust lands and increase the value in the Distributive School Account. Our second priority for out-of-state travel is for geographic information system (GIS) training. We are working hard to enhance our GIS capabilities which we feel is critical. This training typically occurs in Sacramento and Redding, California. The third priority is a small amount to attend meetings at Lake Tahoe regarding sovereign lands and managing lands. Many of the meetings occur over the state line in South Lake Tahoe and Kings Beach, California.

CHAIR RHOADS:

The Governor's recommended budget would cover all of those trips.

MR. LAWRENCE:

That is correct.

CHAIR RHOADS:

If we reduce out-of-state travel by one-third, which trips would be eliminated?

MR. LAWRENCE:

Elimination would depend on the location of the trip. The Western State Lands Commissioners Association meeting rotates around the states. It would still be our biggest priority.

CHAIR PARKS:

I recommend we go with the one-third decrease as recommended by staff on page 16 of [Exhibit C](#). That allows a 116-percent increase.

ASSEMBLYMAN PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEE A ONE-THIRD REDUCTION TO THE GOVERNOR'S BUDGET FOR OUT-OF-STATE TRAVEL AS RECOMMENDED BY STAFF.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

A position reclassification due to increased duties, described on page 16 of [Exhibit C](#), appears reasonable to staff. There is a technical error in this recommendation.

SENATOR BEERS MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF THE GOVERNOR'S BUDGET FOR THE POSITION RECLASSIFICATION IN B/A 101-4173 WITH TECHNICAL ADJUSTMENTS AS RECOMMENDED BY STAFF.

SENATOR RHOADS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

Decision unit E-720 recommends General Funds to purchase GIS parcels for five additional counties. This is one of the budget reductions offered by the agency. The Subcommittee could recommend closing this budget with or without decision unit E-720. The balance of this budget account is straightforward with technical adjustments required.

E-720 New Equipment – Page DCNR-36

SENATOR BEERS MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF THE GOVERNOR'S BUDGET FOR THE BALANCE OF B/A 101-4173 WITH TECHNICAL ADJUSTMENTS AS RECOMMENDED BY STAFF.

ASSEMBLYWOMAN McCLAIN:

The GIS database system is important. Did the agency voluntarily agree to the Governor's budget reduction?

MR. LAWRENCE:

We voluntarily eliminated E-720 for the GIS parcels. We are looking for opportunities to partner with other agencies or entities to seek additional funds which would enable us to get some of the GIS information.

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ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF THE GOVERNOR'S BUDGET FOR THE BALANCE OF B/A 101-4173 INCLUDING E-720 AND WITH TECHNICAL ADJUSTMENTS AS RECOMMENDED BY STAFF.

SENATOR RHOADS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:
That concludes B/A 101-4173. The Subcommittee will hear B/A 101-4166.

DCNR - Nevada Tahoe Regional Planning Agency – Budget Page DCNR-41
(Volume III)
Budget Account 101-4166

MR. FERGUSON:
The Nevada Tahoe Regional Planning Agency, B/A 101-4166, closing information is contained on page 18 of [Exhibit C](#). The budget requests funds to allow the governing board to meet two additional times each year. The board approves some of the changes to physical casino facilities in the Tahoe Basin. The agency anticipates increased activity. The recommendations appear reasonable to staff.

SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF THE GOVERNOR'S RECOMMENDED BUDGET FOR B/A 101-4166 WITH TECHNICAL ADJUSTMENTS AS RECOMMENDED BY STAFF.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:
The State Parks B/A 101-4162 closing items are on pages 19 through 29 of [Exhibit C](#). Does the Subcommittee want me to review the decision unit M-750 deferred maintenance, or do you want to include it in the bill draft request?

DCNR - State Parks – Budget Page DCNR-43 (Volume III)
Budget Account 101-4162

M-750 Building Construction Outside Cap – Page DCNR-50

ASSEMBLYWOMAN McCLAIN MOVED TO RECOMMEND TO THE FULL COMMITTEE TO INCLUDE THE M-750 DEFERRED MAINTENANCE IN B/A 101-4162 IN THE BILL DRAFT REQUEST.

SENATOR RHOADS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

Six new positions are requested. Decision unit M-588 requests one water system operator to be funded with General Funds. The water system in Fallon must be treated rather than simply chlorinated. State law requires a water system operator be available to oversee the system. The Division of Environmental Protection concurs this position is needed. The system is under a boil-before-use order and has been that way for some time.

M-588 Safe Drinking Water Act – Page DCNR-49

ASSEMBLYMAN GRADY:

This is not the city of Fallon's water system. Is it the Churchill County water system?

MR. FERGUSON:

This is the Division of State Parks' water system.

ALLEN BIAGGI (Director, State Department of Conservation and Natural Resources):

This is the Division of State Parks' system. The position will bring the State park into compliance with the Safe Drinking Water Act and requirements under both federal and state law.

SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE THE ADDITION OF A WATER SYSTEM OPERATOR AS RECOMMENDED BY THE GOVERNOR TO ADDRESS THE POTABLE WATER SITUATION AT LAHONTAN STATE RECREATION AREA IN B/A 101-4162.

SENATOR TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

In decision unit E-327, the agency is requesting a park interpreter position, a seasonal park technician and associated equipment and operating costs for the

management and operation of the new Dangberg Home Ranch Historic Site, as indicated on page 21 of [Exhibit C](#). This recommendation also provides a 5-percent salary increase for the existing park supervisor. The State of Nevada and Douglas County are required to establish tours at the site to begin April 1, 2007. The recommendation to add the park interpreter position to oversee Dangberg Ranch appears reasonable to staff. If the Subcommittee wishes to reduce the General Fund requirement in this decision unit, it could direct the agency to implement a fee for entrance into the park during the second year of the biennium. The fee would be for a new park and therefore not in conflict with the Governor's restriction on new fees. The Subcommittee could also consider eliminating seasonal salaries in FY 2007-2008 and reducing the amount recommended in FY 2008-2009 from nine months to six months.

E-327 Services at Level Closest to People – Page DCNR-50

CHAIR PARKS:

Does the Subcommittee wish to create the park interpreter II position, collect fees during the second year and fund seasonal employees for nine months or six months?

ASSEMBLYWOMAN KOIVISTO MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF DECISION UNIT E-327 FOR A PARK INTERPRETER II POSITION; COLLECTION OF FEES DURING FY 2008-2009; AND TO FUND THE SEASONAL PARK TECHNICIAN FOR SIX MONTHS AS RECOMMENDED BY STAFF AND WITH TECHNICAL ADJUSTMENTS AS REQUIRED.

SENATOR RHOADS SECONDED THE MOTION.

MR. FERGUSON:

Does the motion eliminate the seasonal park technician in the first year and provide for six months in the second year or is the motion for six months in each year?

CHAIR PARKS:

The motion is to include the seasonal park technician in both fiscal years.

SENATOR TITUS:

Are you talking about the new position being there for only nine months? I thought it was a different position.

MR. FERGUSON:

The original request was for a nine-month seasonal park technician position in each year of the biennium. The motion reduced the request to six months in each year. Another option would be to eliminate the position in the first year and provide six months in the second year.

CHAIR PARKS:

The motion is to have the seasonal park technician for six months in each year of the biennium.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

An administrative assistant I position, decision unit E-331, is recommended for Lahontan State Recreation Area as indicated on page 22 of [Exhibit C](#). The position will be funded with park fees. The recommendation appears reasonable to staff.

E-331 Services at Level Closest to People – Page DCNR-51

SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF DECISION UNIT E-331 IN B/A 101-4162 FOR AN ADMINISTRATIVE ASSISTANT II AS RECOMMENDED BY THE GOVERNOR WITH TECHNICAL ADJUSTMENTS BY STAFF AS REQUIRED.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

The agency has requested two positions in E-333, page 22 of [Exhibit C](#). The agency wants to increase the fee for a wedding from \$15 to \$200 to fund these new positions. The Governor has indicated he does not support this fee increase; therefore, the agency does not support this request. There may be merit in this request the Subcommittee would like to hear. Commercial weddings in the park have increased over the years. The Nevada Wedding Association and those who provide commercial weddings have requested a better level of service and are willing to pay a \$200 fee. An administrative assistant I would provide reservation manpower. The park ranger would assist with crowd control. The Bureau of Land Management (BLM) charges \$180 for a commercial wedding at Red Rock Canyon. The proposed fee increase is for commercial weddings only. Additional information is provided on pages 22 and 23 of [Exhibit C](#).

E-333 Services at Level Closest to People – Page DCNR-52

CHAIR PARKS:

The Valley of Fire State Park is important to me. I have been dismayed by the excessive use to which the park is subjected. Preservation is important. I support this decision unit.

CHAIR RHOADS:

The Governor's letter regarding fees stated if the industry agrees to a fee increase, the increase is legitimate. Has something changed?

SENATOR RHOADS MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF DECISION UNIT E-333 IN B/A 101-4162 FOR ONE ADMINISTRATIVE ASSISTANT I AND ONE PARK RANGER; INCREASE COMMERCIAL WEDDING FEES AS RECOMMENDED BY THE STAFF; AND TECHNICAL ADJUSTMENTS BY STAFF AS REQUIRED.

MR. FERGUSON:

If the Subcommittee wants to approve decision unit E-333, it would be giving implementation authority to the agency. It would still be up to the agency and perhaps the Governor's office to determine if the decision unit is implemented.

SENATOR TITUS SECONDED THE MOTION.

SENATOR TITUS:

I am in favor of this motion. If we give the agency the authority, we should also send a strong message to the DCNR that we do not want this action ignored; we want to see the DCNR move forward with commercial weddings. The wedding chapel industry has said it is willing to pay the increased fees. I urge the DCNR to consider two things. If the BLM charges \$180 at Red Rock Canyon, which is closer to Las Vegas than the Valley of Fire State Park, the DCNR might consider charging \$150. The lower fee may get more people to the Valley of Fire. Increasing the fee from \$15 to \$200 may reduce the number of weddings considerably. You could charge a fee less than the BLM because people have further to travel and you could use one staff person rather than two.

ASSEMBLYWOMAN WEBER:

If weddings are to continue at the Valley of Fire, we need to consider fees to provide staff for security, waste removal and wear and tear on the park. We may also consider capping the park's use if environmental sensitivities are identified.

CHAIR PARKS:

The Subcommittee's consideration today is the suggestion of increasing wedding permit fees, but the motion is to act on the two positions.

SENATOR BEERS:

I agree with Senator Titus; however, I will oppose the motion. If the fee is increased to \$200, weddings will cease, there will be no funds to pay for the two administrative assistant positions, and they will have nothing to do.

SENATOR TITUS:

I do not believe the weddings will discontinue since the wedding chapel industry has expressed an interest. There may be fewer weddings than anticipated because of the sudden increase in price. If the maker of the motion would consider my proposal, perhaps Senator Beers would agree.

CHAIR PARKS:

Our action today relates to the two new positions based upon the fact the industry is willing to pay increased fees.

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MR. FERGUSON:

Staff has worked with the agency on the calculations. They have anticipated a decreased number of weddings. The key is the revenues would need to be sufficient to support the two new positions and the required equipment.

SENATOR TITUS:

It is possible the agency would agree with a fee of \$150 for the commercial weddings. I suggest we approve one position with a fee increase to \$150. If all goes well, we can add another position next session.

ASSEMBLYMAN HOGAN:

The reluctance to increase fees may be overcome by limiting the timing for the staff increase to immediately after authorization is received to increase fees. It is unreasonable to restrict fees the industry is willing to pay.

CHAIR PARKS:

The maker of the motion may wish to amend the motion subject to the availability of funding.

SENATOR BEERS:

I am not sure what the status of the motion is. I believe the maker already agreed to one amendment. Could someone restate the motion?

CHAIR PARKS:

The initial motion was to approve both new positions. The discussion continued to cap the increased permit fee to \$150. Was that agreed to by both the maker and the seconder?

CHAIR RHOADS:

Yes, it was.

SENATOR TITUS:

I agree.

ASSEMBLYMAN HOGAN:

I would add to the motion a condition on the hiring of the two additional positions based upon the establishment or approval of additional fees for the commercial wedding industry.

CHAIR PARKS:

The two new positions would be conditioned upon the approval of a fee structure to support the positions.

ASSEMBLYMAN HOGAN:

That is correct.

CHAIR PARKS:

There are two positions. The motion Senator Rhoads made is to approve two positions.

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SENATOR TITUS:

If we approve two positions, I am not sure \$150 will cover the costs. I thought we would do one position with a \$150 fee.

SENATOR BEERS:

All agencies are authorized to spend up to a certain amount of money engaging in an activity. The agency can gauge whether or not it can hire one or two people based upon the traffic. If we have a \$150 limit on the fee, the agency will act appropriately based upon the amount of fees received.

CHAIR PARKS:

Mr. Hogan has suggested we put a further limitation on the hiring based upon the establishment of fees. Do Senators Rhoads and Titus want to change the motion as Mr. Hogan has suggested?

CHAIR RHOADS:

Yes.

SENATOR TITUS:

Yes.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

The Senate members of the Subcommittee are leaving for a floor meeting. The Assembly will continue to hear budgets. We are on page 23 of Closing List #3, [Exhibit C](#), looking at B/A 101-4162, decision unit E-334.

E-334 Services at Level Closest to People – Page DCNR-52

MR. FERGUSON:

This decision unit, on page 23 of [Exhibit C](#), requests a new administrative assistant for Spring Mountain Ranch State Park. This position would assist with the increasing administrative responsibilities associated with weddings and other activities requiring permit processing. The agency indicated additional fees would be collected to support this position. No General Funds are required.

ASSEMBLYWOMAN KOIVISTO MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF DECISION UNIT E-334 IN B/A 101-4162 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

Closing issue 3, page 23 of [Exhibit C](#), is the reestablishment of three positions and seasonal salary costs. The Floyd Lamb State Park will be transferred to the city of Las Vegas at the end of this fiscal year. The three positions at Floyd Lamb will be transferred to other parks in Clark County to assist with maintenance and operations. A description of the positions is contained on pages 23 through 25 of [Exhibit C](#). Currently, these positions are funded with a combination of General Funds and fees.

As part of the Governor's reductions, there is agreement to eliminate the park supervisor III position. If the position is eliminated, General Fund savings would be realized in the amount of \$87,571 in FY 2007-2008 and \$91,822 in FY 2008-2009 as indicated on page 24 of [Exhibit C](#).

The park ranger II position would be transferred to the Valley of Fire State Park to assist with backcountry patrol, law enforcement and monitoring of the concession for off highway vehicles (OHVs). This park ranger is Peace Officers Standards and Training certified. The agency is concerned the number of OHVs are doing damage to the park and entering the park without paying fees, as shown on page 24 of [Exhibit C](#). This position would be funded with General Funds of \$84,035 in FY 2007-2008 and \$88,140 in FY 2008-2009. This position is the agency's highest priority.

CHAIR PARKS:

This meeting is adjourned at 10:41 a.m.

RESPECTFULLY SUBMITTED:

Sandra K. Small,
Committee Secretary

APPROVED BY:

Senator Dean A. Rhoads, Chair

DATE: _____

Assemblyman David R. Parks, Chair

DATE: _____