## MINUTES OF THE SENATE COMMITTEE ON GOVERNMENT AFFAIRS

# Seventy-fourth Session March 26, 2007

The Senate Committee on Government Affairs was called to order by Chair Warren B. Hardy II at 1:37 p.m. on Monday, March 26, 2007, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412E, 555 East Washington Avenue, Las Vegas, Nevada. <a href="Exhibit A">Exhibit A</a> is the Agenda. <a href="Exhibit B">Exhibit B</a> is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

## **COMMITTEE MEMBERS PRESENT:**

Senator Warren B. Hardy II, Chair Senator Bob Beers, Vice Chair Senator William J. Raggio Senator Randolph J. Townsend Senator Dina Titus Senator Terry Care Senator John J. Lee

## **GUEST LEGISLATORS PRESENT:**

Assemblyman Mark A. Manendo, Assembly District No. 18

## **STAFF MEMBERS PRESENT:**

Candice Nye, Assistant to Committee Manager Eileen O'Grady, Committee Counsel Michael J. Stewart, Committee Policy Analyst Erin Miller, Committee Secretary

## **OTHERS PRESENT:**

Laura Billman, Nye County
Thomas S. Buqo, Consulting Hydrogeologist, Incorporated
Andrew (Butch) Borasky, Board of Commissioners, Nye County
James R. Marble, Director of Natural Resources, Department of Natural
Resources and Federal Facilities, Nye County

Jennifer Lazovich, Focus Property Group Gary Hollis, Chair, Board of Commissioners, Nye County Shawn M. Elicegui, Utilities, Incorporated Pamela Rowse, R.N., Kierra Harrison Foundation for Child Safety

## CHAIR HARDY:

We have Bill Draft Request (BDR) 22-1351 that needs to be moved.

BILL DRAFT REQUEST 22-1351: Imposes certain requirements relating to certain measures that limit the number of residential or nonresidential units that may be constructed in a city or county. (Later introduced as Senate Bill 510.)

SENATOR BEERS MOVED TO INTRODUCE BDR 22-1351.

SENATOR LEE SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR TITUS VOTED NO.)

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## CHAIR HARDY:

We will open the hearing on Senate Bill (S.B.) 222.

SENATE BILL 222: Creates the Nye County Water Authority. (BDR S-317)

## LAURA BILLMAN (Nye County):

We submitted <u>S.B. 222</u> to form the Nye County Water Authority. Since then, we learned the issue of having a supermajority vote on transferring water rights was left out of the bill. We provided an amendment to the bill that includes this (<u>Exhibit C</u>). Nye County is not opposing other amendments, but we need to run any amendments by our legal counsel.

## CHAIR HARDY:

With the exception of the makeup of the board, it does not seem significantly different from other water districts that were created. It is similar to the Lincoln County Water District.

THOMAS S. BUQO (Consulting Hydrogeologist, Incorporated):

I am a consulting hydrogeologist working with Nye County since 1996. Nye County is growing. We are building a city in Pahrump and have a water shortfall. It is not a matter whether water will be imported to Pahrump but when. We spent years putting together a water resource plan for the County which was adopted in 2004. The prior Board of Commissioners, Nye County, took action last year and decided to present this bill draft request.

Senate Bill 222 establishes water authority that would provide a central focus for acquisition of additional water for areas where needed. This bill was modeled after a Lincoln County legislation with modifications. The primary modification being the board of directors would be appointed, not elected. The Board of Commissioners noted elected officials may not have the knowledge base to run a water authority. There is need to have a professionally managed organization. We have 84 water supply systems in Nye County. We have arsenic problems and federal land-use issues. It is difficult for an individual utility or general improvement district to look at these broad issues. An authority would provide the knowledge base and ability to work in concert with the Division of Water Resources, State Department of Conservation and Natural Resources, and Southern Nevada Water Authority.

## SENATOR LEE:

How many basins are in Nye County? Are you able to transfer water rights between basins?

#### Mr. Bugo:

There are 43 basins in Nye County. Of those, 23 are shared with other counties. We do not want to start water wars with other counties. We joined the Central Nevada Regional Water Authority to work in concert with those counties. We can transfer water, but we have very few basins where land is privately owned and water not fully appropriated. Most of the basins are on federal lands.

## **SENATOR TITUS:**

We heard about these problems from the Committee to Study the Use, Management, and Allocation of Water Resources and the Subcommittee to Study the Protection of Natural Treasures. The water levels are going down, and the sewer levels are going up. There is a need for this.

## **SENATOR BEERS:**

Even moving a well draws a federal protest. Will that have an impact on this operation?

## Mr. Bugo:

Nye County has a lot of environmental issues. The County is home to the Devils Hole pupfish and Amargosa toad; we recognize we cannot develop groundwater at the expense of our treasures. Nye County has an extensive groundwater monitoring program where water levels are measured on a monthly basis at a network of wells in Pahrump and Amargosa. However, we do have protest issues.

## **SENATOR CARE:**

What is the demarcation line between northern and southern Nye County? How many privately owned utility companies are regulated by the Public Utilities Commission of Nevada and located in Pahrump Valley? How many nonprofit or municipal utilities are located in Nye County? Is there already a determination as to members of the board? Since the members of the board would be appointed by the Nye County Board of Commissioners, what provisions would there be to remove a member?

## Mr. Bugo:

I am not sure of the number of nonprofits in Nye County. The County owns and operates a number of systems. Most systems are for profit. We spent time thinking about what to do if there are problems with a member of the board and concluded the first task the board is to write bylaws including provisions for this circumstance.

Northern Nye County is the area north of Tonopah. Tonopah has its own water supply. We would expect a representative of only Tonopah because they have different issues than in other areas. One issue identified in the water plan for the northern areas, such as Big Smokey Valley and Railroad Valley, is preservation of the family farm. They do not want to see water from their part of the county transported to another part of the county.

## ANDREW (BUTCH) BORASKY (Board of Commissioners, Nye County):

The Nye County Board of Commissioners voted unanimously to approve this bill because we need to get up to speed. Land use and water growth go together, and you cannot get a handle on it if you do not have authority. The citizens of

Nye County are also behind this bill. The biggest concern is in the Pahrump area. We do not want to get so far behind we will not catch up.

#### SENATOR LEE:

On page 4, line 33, it says "to enter upon any land ... ." Was this in the bill or is this something new?

#### CHAIR HARDY:

We can find out. I do not intend to process this bill today. We are not talking about a water district; we are talking about a water authority. It is structured like a district. All of us need more time to compare this bill with what is done in other authorities. Are there any formalized districts in Nye County?

Mr. Bugo:

No. We have general improvement districts.

#### CHAIR HARDY:

This language is similar to the authority given all water districts and authorities. Senator Lee's concern is someone being able to go on private land. This bill does not change the requirement to take into account the private land they are entering.

### SENATOR LEE:

Is this authority going to stop people from putting in wells?

#### CHAIR HARDY:

The language is taken verbatim from Lincoln County Water District. The bill is structured like a district, but we are talking about an authority. It needs to be that way because of the uniqueness of the area, but it is different in that regard. It is important we get answers to all our questions and get this right.

## Mr. Bugo:

We have 11,000 domestic wells in the Pahrump Valley. The State Engineer has pointed out this problem, and we would like to take a look at it locally. We would like to do self-regulation because we fear the day the State Engineer and Division of Water Resources come in and say no more domestic wells in Pahrump. With the growth occurring, there may be 31,000 domestic wells by 2050. We are going to stress conservation, but that is a scary number of wells to have in one basin.

## CHAIR HARDY:

Would you say the characterization of this water authority "acting like a water district" is an accurate description?

## Mr. Bugo:

Yes. The authority serves as an umbrella agency. It would not tell operators how to operate their systems but how to qualify for state and federal funds.

#### CHAIR HARDY:

I am not aware of any other authorities set up this way.

## Mr. Bugo:

We discussed whether it should be a district or authority. Because we have many systems with many circumstances throughout a large geographic area, an authority would be the best way.

#### Ms. BILLMAN:

The original thought was to have a district, but we switched to authority because the entire county of Nye is larger than Rhode Island. There was thought we may want to form districts within the County.

## CHAIR HARDY:

I understand the political reasons for the decision. I want to make sure the Committee understands this is an authority that will look very much like a district.

## **SENATOR CARE:**

Chapter 37 of *Nevada Revised Statutes* specifically grants the power of eminent domain. It lists certain entities to include railroads and public utilities. We should find out whether we have authority to exercise eminent domain. If this bill passes, what does that do to the provision for eminent domain?

## CHAIR HARDY:

The questions that Senators Care and Lee bring up are valid. The Committee needs to understand this from a policy perspective. We may need to revisit the idea of a district. We are potentially creating powers for a new authority that an established authority may not have.

JAMES R. MARBLE (Director of Natural Resources, Department of Natural Resources and Federal Facilities, Nye County):

The situation in Nye County is almost chaotic. <u>Senate Bill 222</u> would give us an umbrella organization to have coordinated effort and a consistent policy. The best way for us to manage our growth is through management of water resources that fuel the growth. The economic well-being of our residents and future depend on our ability to do that.

#### CHAIR HARDY:

Was there opposition to the concept of a district or did you feel this was the best way to proceed?

## Mr. Bugo:

There was no opposition to the concept of the word "district," but we do not have water districts like Clark County. They have well-defined districts, and they have banded together to avoid fighting over Colorado River water. We have different fights over water, and we felt resolution of those would be better handled through an authority. We do not have districts and thought the purveyors we had would feel threatened by imposition of a district. There was discussion of condemnation; the three utilities in Pahrump wanted the language worded so it would be all or nothing. They did not want the authority to pick the best wells and properties and leave them with the rest. Our goal has never been to condemn any water authorities. However, in our rural areas, there are instances where a small community can be held hostage by the owner of a utility, and that is why we wanted this wording. It would provide a mechanism for the County to relieve citizens held hostage for water.

## **SENATOR LEE:**

Is there any sewer system in Nye County, whether municipal or privately owned water systems?

#### Mr. Bugo:

Yes, there is a Beatty Water and Sanitation District. In Pahrump, many developments have their own sewage treatment works. We are trying to squeeze every drop of water out of the basin.

#### SENATOR LEE:

Would the authority oversee those sanitation districts?

## Mr. Bugo:

That would not be the intent. This bill would strictly be for water. If the authority was legislated, they would take a look at that, but wastewater is already regulated. We are planning on a general improvement district for wastewater in Pahrump.

## JENNIFER LAZOVICH (Focus Property Group):

I am here on behalf of Desert Utilities, Incorporated, which is an affiliate of Focus Property Group. I do not have a specific amendment to give to the Committee. In section 7, subsection 2, paragraph (e), we have some concerns with the makeup of the board. We would like to work with the Committee and the representative of Nye County to come up with something more palatable. How do you choose which one of the three utilities gets to sit on the board? There was some discussion about having all three sit on the board, and that was not working. Having only one will create a conflict.

GARY HOLLIS (Chair, Board of Commissioners, Nye County): I support S.B. 222. We need this bill.

## SHAWN M. ELICEGUI (Utilities, Incorporated):

Utilities, Incorporated prepared written testimony as well as proposed amendments to the legislation (<u>Exhibit D</u>). They are designed to reflect the purpose the County has stated, which is to create an entity that has the power, purpose and authority to secure a long-term water supply source for residents of the County. The utility would not support legislation if the authority were to become a vehicle for acquisition of investor-owned utility assets in Pahrump.

### SENATOR LEE:

Does the federal government have a privately owned utility company within that jurisdiction?

#### Mr. Bugo:

The U.S. Department of Energy runs five separate public water supply systems on the Nevada Test Site, and Nellis Air Force Base operates on other systems.

#### SENATOR LEE:

Would they qualify to be the privately owned member on the board in section 7?

## Mr. Bugo:

They would not qualify because the wording is specific to Pahrump Valley. The systems on the Nevada Test Site and Nellis Air Force Base are regulated by the U.S. Environmental Protection Agency, but not the Public Service Commission of Nevada because they are not water purveyors.

## SENATOR LEE:

They would not take the seat Ms. Lazovich is interested in protecting.

## Mr. Bugo:

That is correct. It has come up in feedback to section 7 that it might be better to have another seat for someone at large. That might help avoid conflict between the three utilities. We had a discussion with Utilities, Incorporated about their amendment and it is a wording issue. We do not want the wording to change from "uninhabited" to "inhabited areas of the county." We want to limit our potential sources of water to Nye County because we may not be able to develop water in some areas. That is the only problem with the amendment.

## CHAIR HARDY:

I want proponents of the bill to meet with the people who have expressed concerns and come up with language that works for everyone. We will close the hearing on <u>S.B. 222</u> and open the hearing on <u>Assembly Bill (A.B.) 48</u>.

ASSEMBLY BILL 48: Requires the Governor to proclaim the third week in April as "Nevada Shaken Baby Syndrome Awareness Week." (BDR 19-128)

## ASSEMBLYMAN MARK A. MANENDO (Assembly District No. 18):

I bring forth this bill on behalf of a constituent. Pam Rowse has been a nurse for 28 years and was the 2003 March of Dimes Nurse of the Year. The violent death of her 14-month-old granddaughter shifted her focus away from nursing. She is a self-made national figure in child advocacy. Kierra Harrison was shaken and slammed to death on March 5, 1997, in her second week with a Las Vegas day care provider. Ms. Rowse learned at the arraignment that despite previous allegations of child abuse, Nevada issued the provider a day care license. She formed the Kierra Harrison Foundation for Child Safety and has many credentials including being a member of the Southern Nevada Maternal Child Health coalition. In the aftermath of her granddaughter's murder, it became apparent issues are tragically overlooked. There are about 35,000 lives a year that Shaken Baby Syndrome affects.

Assembly Bill 48 designates the third week in April as "Nevada Shaken Baby Syndrome Awareness Week." This bill is designed to increase awareness about the prevention of Shaken Baby Syndrome: a preventable form of child abuse. Kierra's heart, lungs, liver, pancreas and kidneys were donated to children in need of transplants.

PAMELA ROWSE (R.N., Kierra Harrison Foundation for Child Safety):

I have presented information about Shaken Baby Syndrome (Exhibit E). I have been practicing in the heath care arena for 33 years. I have dedicated my life, since my granddaughter passed away, to preventing a horrendous and unknown form of child abuse. We feel that promoting Shaken Baby Syndrome awareness is one of the ways we can prevent it from happening. Statistically, we have between 1,300 to 1,600 children who are shaken every year. This is an underreported amount. Of those, 30 percent die. The rest of them face long-term issues related to neurological deficits. Finances relating to individuals who survive a shaken baby event exceed \$1 million in the first three years of life due to medical and supportive care. Since 2001, the United States Congress proclaimed the third week in April, which is National Child Abuse Awareness Month, as Shaken Baby Syndrome Awareness Week. Fifteen states have introduced awareness bills and legislation related to education of parents and day care providers on Shaken Baby Syndrome.

<u>Assembly Bill 48</u> would provide an excellent platform for all our state nonprofit organizations to collectively work to reduce cases of Shaken Baby Syndrome. It would also allow a platform for collectively and collaboratively working with organizations that collect statistics and data on Shaken Baby Syndrome and child abuse to give us a better understanding and focus for prevention activities.

## **SENATOR BEERS:**

Are new parents being handed literature about Shaken Baby Syndrome in Nevada hospitals?

## Ms. Rowse:

No. In 2009, we are looking to introduce legislation relating to that. We need to get the Nevada Hospital Association and Nevada nursing organizations on board to provide that information to the public. The information is available if hospitals choose to present it, but they do not understand how important that information is to new parents.

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SENATOR BEERS: You do not know if any hospitals are handing th	is out?
Ms. Rowse: I do not believe there are any at this time.	
CHAIR HARDY: We will close the hearing on <u>A.B. 48</u> .	
SENATOR BEERS MOVED TO DO PASS A	A.B. 48.
SENATOR TITUS SECONDED THE MOTION.	
THE MOTION CARRIED UNANIMOUSLY.	
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CHAIR HARDY: We are adjourned at 2:29 p.m.	
	RESPECTFULLY SUBMITTED:
	Erin Miller, Committee Secretary
APPROVED BY:	
Senator Warren B. Hardy II, Chair	-
DATE:	_