

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

**Seventy-Fifth Session
February 18, 2009**

The Committee on Natural Resources, Agriculture, and Mining was called to order by Chair Jerry D. Claborn at 1:34 p.m. on Wednesday, February 18, 2009, in Room 3161 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/75th2009/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman Jerry D. Claborn, Chair
Assemblyman Joseph M. Hogan, Vice Chair
Assemblyman Paul Aizley
Assemblyman David P. Bobzien
Assemblyman John C. Carpenter
Assemblyman Pete Goicoechea
Assemblyman Tom Grady
Assemblyman Don Gustavson
Assemblyman Harvey J. Munford
Assemblyman James Ohrenschall
Assemblyman Tick Segerblom

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Randy Stephenson, Committee Counsel
Jennifer Ruedy, Committee Policy Analyst
Judith Coolbaugh, Committee Secretary
Sherwood Howard, Committee Assistant

OTHERS PRESENT:

Tony Lesperance, Ph.D., Director, State Department of Agriculture
Dennis Hellwinkel, Project Coordinator, Agricultural Council of Nevada;
and State Coordinator, Nevada Ag in the Classroom, Sparks,
Nevada
Doug Busselman, Executive Vice President, Nevada Farm Bureau
Federation, Sparks, Nevada
Edward K. Foster, Regional Manager, Division of Plant Industry, State
Department of Agriculture
Peggy McKie, Nursery Program Manager, Division of Plant Industry, State
Department of Agriculture

Chair Claborn:

[Roll called.] I would like to open the hearing today with Assembly Bill 29, which deals with the use of money from special license plates for the promotion of agriculture. Because this bill addresses funding from special license plates, I would like to hear this bill and then we will refer it to the Committee on Transportation.

Assembly Bill 29: Revises provisions governing the use of money in the Account for License Plates for the Promotion of Agriculture Within This State. (BDR 50-354)

Tony Lesperance, Ph.D., Director, State Department of Agriculture:

I have Dennis Hellwinkel with me today. He has been involved with promotion of agriculture for a long time, and is a former President of the Nevada Farm Bureau. He is more knowledgeable and directly involved with this, so he will present the information.

Dennis Hellwinkel, Project Coordinator, Agricultural Council of Nevada; and State Coordinator, Nevada Ag in the Classroom, Sparks, Nevada:

[Mr. Hellwinkel spoke from prepared text ([Exhibit C](#)). He also distributed bags filled with informational material ([Exhibit D](#)) including copies of the Nevada Commodity Map to all Committee members.]

Chair Claborn:

Right now, the profits from Agriculture (Ag) license plate sales go to support agriculture, with half of that money being disbursed to the Future Farmers of America (FFA). The other half is money that is in the fund, and it is my understanding that you cannot give that money to nonprofit organizations, only to state entities. This bill would change this so that you could give it to nonprofit organizations. You could really do anything you wanted to with it, including giving it to support the Division of Wildlife Services, is that correct?

Dennis Hellwinkel:

There is one correction, Chairman Claborn. The Department of Motor Vehicles automatically gives the FFA Foundation half of the funds. Half of the funds do not go through the State Department of Agriculture; they go directly to the FFA Foundation. The half that we are talking about does go to the Department of Agriculture, but specifically to promote agriculture. The Director, at his discretion, may use those funds for the promotion of agriculture or, as the language currently states, grant those funds to another public body specifically for the promotion of agriculture.

Chair Claborn:

That means the Director of the Department of Agriculture could possibly do just about anything he wanted to as long as it was designated to promote agriculture. Is that correct?

Dennis Hellwinkel:

Yes, as long as it was designated to either a public body or a nonprofit organization for the promotion of agriculture.

Chair Claborn:

Let me ask the question in another way. The Department of Agriculture has many other entities under it like the Division of Wildlife Services and some of their programs, is that correct? There are also employees working for Wildlife Services at the present time. Is that correct?

Dennis Hellwinkel:

Wildlife Services, yes.

Chair Claborn:

You are actually funded through our General Fund and then it is transferred over to Wildlife Services?

Dennis Hellwinkel:

As long as they were promoting Nevada agriculture, yes. They could receive those funds today, as a public body, at the discretion of the Director of the State Department of Agriculture.

Chair Claborn:

That is what I was really looking for. I like this idea. I will now open the hearing up to questions from the Committee.

Assemblyman Goicoechea:

The intent of the bill is clear and states what always was intended. It was never intended that proceeds from the sale of these license plates would go to the Department of Agriculture for use through their Department. They need to go to a public agency or a nonprofit organization.

Assemblyman Hogan:

We share jurisdiction with the Committee on Transportation, and they normally have a hand in all these license plate matters. I would be willing to make a motion because I am a member of the Transportation Committee and I think the bill would go through that Committee just fine.

Chair Claborn:

Mr. Hogan, will you hold your motion because there are a couple of people who would like to speak on the bill.

Doug Busselman, Executive Vice President, Nevada Farm Bureau Federation, Sparks, Nevada:

We are here today to speak in support of A.B. 29. The Nevada Farm Bureau was originally involved with the Ag license plate legislation. At that time, the Director of the Department of Agriculture was Paul Iverson. Through that legislative process, Mr. Iverson successfully amended the FFA Ag license plate bill to arrive at the current system in which half of the profit from the sale of those license plates goes to the Department of Agriculture for agriculture promotion.

We are also a member of the coalition mentioned previously, the Agricultural Council of Nevada (Ag Council). We work in partnership with other agriculture organizations and other agencies that are Ag-based to develop programs and services that are geared toward promoting Nevada agriculture. One of the things provided through the Ag Council is the ability to carry out promotional programs that perhaps the Department might not have staffing to do. We are able to tie into a groundswell of volunteers who are also involved in this program. Part of the money that has been used in the past has even gone for

partial funding and support for promoting agriculture at the Nevada State Fair. We believe this is a very beneficial approach. The legislation that is being proposed to you deals with making it appropriate for the process that has been going on to continue.

Assemblyman Carpenter:

Does anyone know how much money this Ag license plate is raising?

Dennis Hellwinkel:

The amount we receive for Ag promotion is about \$18,000 a year. That amount is one-half, so the FFA license plate generates approximately \$36,000 a year with half of that going to each organization. All of those dollars go into projects. We do not have paid staff, so all the money goes to actual projects. If there are any other entities that would like to volunteer and donate time to promote agriculture, we would be willing to share those dollars.

Chair Claborn:

I have no intention of cutting into FFA funds, or any of the funds, as a matter of fact. You are right, I believe this legislation would open up the possibility in case anyone else wanted to, but I would hate to see this opened up and the money be taken away from the FFA. That would never be my intent.

Dennis Hellwinkel:

This bill does not deal with the FFA money whatsoever. It only is concerned with the half that goes toward Ag promotion.

Chair Claborn:

That information makes me feel a lot better, thank you.

Assemblyman Goicoechea:

I believe, because that money does go into the Ag account, if it is not expended in the year, it has to revert to the General Fund. Is that correct?

Dennis Hellwinkel:

No, the specific language in the statute states the money remains in that fund until it is granted for Ag promotion. It does not revert to the General Fund.

Assemblyman Goicoechea:

I saw the word "reversion" in the bill, but it prohibits a reversion.

Dennis Hellwinkel:

That is correct.

Doug Busselman:

I am not here to argue whether the bill should be rereferred to the Assembly Transportation Committee, but I think the reason the bill came to this Committee is because the bill is in *Nevada Revised Statutes* (NRS) Chapter 561, the Ag statutes. It is basically Ag legislation, and that is why the bill was referred to this Committee. We went through the Transportation Committees when the original Ag license plate was created. Once the plate was created, it became part of this section of the statutes. I think it came to this Committee because it was based on where things fall in the NRS. If you want to send it to another committee, we will go to that other committee and testify there, as well.

Chair Claborn:

Some of the people on the Transportation Committee think they would like to look at this bill, so we will refer it. I think you will like what we probably are going to do with the bill.

Assemblyman Gustavson:

You said you were partially instrumental in the original proposal of this bill in 1999. Who else was instrumental in proposing this bill? Is anyone else who was involved in the original legislation aware of your proposed change?

Doug Busselman:

The original bill that created the Ag license plate was actually created for the FFA Foundation. During the legislative deliberations, the Director of the Department of Agriculture at that time, Mr. Iverson, recommended the bill be amended to have half the funds presented to the Department of Agriculture for Ag promotion. There were a number of supporters of the concept of funding for the FFA Foundation. All of the Ag organizations were involved in support of it, and we are here today to speak in favor of this bill.

Assemblyman Gustavson:

I did sit on that committee at the time, and I listened to a number of license plate bills. It is hard to remember who was involved in which ones back then. I just wanted to be sure everyone was in agreement with this change.

Doug Busselman:

The primary advocates for the first bill were the FFA Foundation, and we were supporting them. That is when the Department proposed the idea of half of the funding going for Ag promotion.

Chair Claborn:

Does anyone have any more questions of Mr. Busselman? [No response.] Are there any questions for Mr. Lesperance or Mr. Hellwinkel? [No response.] Seeing none, I am going to close the hearing on A.B. 29 and I will entertain a motion.

ASSEMBLYMAN HOGAN MOVED TO DO PASS
ASSEMBLY BILL 29 AND REREFER IT TO THE ASSEMBLY
COMMITTEE ON TRANSPORTATION.

ASSEMBLYMAN GUSTAVSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Tony Lesperance:

Mr. Chairman, now that you have shown overwhelming support for the promotion of agriculture, which we very much appreciate, I would feel totally remiss in leaving this Committee without giving you some additional facts about just how important agriculture is to the State of Nevada.

There was a recent news article that was extremely important but which you may not have seen. Export of agriculture products from the State of Nevada has reached an all-time high. Exports have risen over 40 percent during the last two years and now amount to \$79 million a year. That would have been an unheard-of figure five or ten years ago. I would like to point out that it is because of some very unique things going on. You have in front of you a map [the Nevada Commodity Map which is part of ([Exhibit D](#))] that is already out-of-date, because I see it shows that Lyon County does not raise any lettuce. Believe it or not, Lyon County is not only producing lettuce, farmers in that county are producing lettuce that is being exported all over the world.

Nevada agriculture is changing dramatically and rapidly, and we see nothing but good things in the future for Nevada agriculture. We will have to redo this map shortly because there are many, many new products including viticulture and the production of very valuable varieties of wine. There are a lot of things going on, and we will do our level best to promote Nevada agriculture to the best of our ability.

Chair Claborn:

I would like to open the hearing on Assembly Bill 69 regarding licenses for people who sell nursery stock.

Assembly Bill 69: Revises provisions governing the licensure of persons who sell nursery stock. (BDR 49-357)

Tony Lesperance, Ph.D., Director, State Department of Agriculture:

I have with me today Edward Foster, the Northern Regional Manager of the Division of Plant Industry. With Mr. Foster is Peggy McKie, who is in charge of the nursery program. With that, I would like to turn this part of our presentation over to Mr. Foster.

Edward K. Foster, Regional Manager, Division of Plant Industry, State Department of Agriculture:

[Mr. Foster read his testimony in support of A.B. 69 and the four changes to *Nevada Revised Statutes* (NRS) Chapter 555 being proposed, from prepared text (Exhibit E).] In the last ten years that I have worked at the Department of Agriculture, with the population explosion we have had here in Nevada, the face of nurseries has changed immensely, as have the industries around it such as landscaping, et cetera.

Assemblyman Aizley:

How do you know how much you are going to sell before you sell it?

Edward Foster:

I would like to refer that question to Peggy, who has been in that program for over ten years, knows it inside out, and actually crafted this legislation.

Peggy McKie, Nursery Program Manager, Division of Plant Industry, State Department of Agriculture:

[Ms. McKie distributed two pamphlets to Committee members, (Exhibit F) and (Exhibit G).] In most cases, it is a given that if you advertise or solicit for sale, you are in business to sell nursery stock. What we are doing is eliminating a waiver that currently exists that allows a business that solicits for sale or sells nursery stock, or advertises that it sells nursery stock, to say that it sells less than \$1,000. We are eliminating that possibility from the law, so if a business is a hobbyist, in other words it does not solicit for the sale of nursery stock and does not advertise that it sells nursery stock, it would still be exempt from the requirement to license. A landscape contractor, however, or a retail business or any other business that solicits for the sale of nursery stock, would still be required to license now.

Assemblyman Aizley:

When you said there is smaller-scale business also going on, then I understood. Thank you.

Assemblyman Carpenter:

Why do you want to have the retail florists, when they sell potted or ornamental plants, get a license? Why are you changing that section?

Peggy McKie:

The reason we are changing that requirement is because in the last three years we have had a minimum of three nationally-significant quarantine pests that have, as hosts, indoor plant material. Sudden oak death, chrysanthemum white rust, and light brown apple moth are three federally significant quarantine pests that are now associated with this kind of plant material. Because we do not license these businesses, we are not able to locate them quickly in order to inspect them when we know shipments of those particular species are coming into the state. We would like to bring these businesses into our licensing circle, not only so we can contact them, but also so they become familiar with who we are. When we visit their businesses, we want them to be aware of what our requirements are so they are not broadsided by a quarantine they did not even know existed.

Assemblyman Carpenter:

Where did you add "landscape maintenance business" other than where you described it in section 3? I guess they would have to be licensed, right?

Peggy McKie:

We use the term "landscape maintenance business" in the definition of dealer of nursery stock farther back in the statute, and we never defined it. We thought that if we were going to use the term, we should have a definition for it.

Assemblyman Carpenter:

So, people who do landscape maintenance now do not have to get a license?

Peggy McKie:

If they do not sell nursery stock, no, they would not.

Assemblyman Carpenter:

Whether they sold nursery stock or not would determine whether they needed a license?

Peggy McKie:

The reason we are making a distinction between a landscape maintenance business and a landscape contractor is that they roughly fall under the heading of "landscaper." When we are contacting those businesses to determine whether or not they need a license, typically, a maintenance business just does what we call "mow and blow." They go into a site, they mow the lawn, they clean up, and they leave. They are not really doing any installations.

By definition, a landscape contractor is a company that actually does do installation and charges for the plant material. It gives us some terminology to better filter out those businesses that do not actually need to have a license.

Edward Foster:

I did think of one thing that might help answer the first question. I am a native northern Nevadan, so I did not think of this until I started talking to Peggy a couple of days ago. A lot of ornamental plants that come in from out-of-state go to southern Nevada, where they will grow outside. Up here, we do not have that problem. We do not put chrysanthemums and orchids in our front yards, but down south they do. That increases the possibility of dispersion of invasive pests. People buy plants and put them outside, but if the plants have pests on them there would be the chance of those pests spreading quickly. This legislation would enable us to be able to trace pests that much more quickly. The current nursery system uses bills of lading, so we can check based on trucks loading at nurseries and whatnot. We cannot do that with individual florists and small suppliers.

Assemblyman Gustavson:

Are grocery stores and places like Wal-Mart currently licensed by you or, if not, would they be if this is passed?

Peggy McKie:

Yes, those businesses are currently licensed with us.

Chair Claborn:

Are there any more questions from the Committee? Seeing none, thank you very much. Would anyone like to testify against this bill? [No response.] Is anyone who is neutral interested in testifying? [No response.] Seeing none, I will close the hearing on A.B. 69, and we will hold it for a work session.

Does the Committee have anything to say or any comments? [No response.] Is there any further business? [No response.] Then, thank you very much. We are adjourned [at 2:11 p.m.].

RESPECTFULLY SUBMITTED:

Judith Coolbaugh
Recording Secretary

Terry Horgan
Transcribing Secretary

APPROVED BY:

Assemblyman Jerry D. Claborn, Chair

DATE: _____

EXHIBITS

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

Date: February 18, 2009

Time of Meeting: 1:34 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 29	C	Dennis Hellwinkel	Written testimony in support
A.B. 29	D	Dennis Hellwinkel	Bag of informational material
A.B. 69	E	Edward K. Foster	Written testimony in support
A.B. 69	F	Peggy McKie	Pamphlet entitled "Selling Nursery Stock in Nevada: What businesses need to know."
A.B. 69	G	Peggy McKie	Pamphlet entitled "Nevada Nursery Laws for Landscape Contractors"