

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

**Seventy-Fifth Session  
February 4, 2009**

The Committee on Natural Resources, Agriculture, and Mining was called to order by Chair Jerry D. Claborn at 1:31 p.m. on Wednesday, February 4, 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/](http://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](mailto: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

**COMMITTEE MEMBERS ABSENT:**

Assemblyman Tick Segerblom (Excused)

**STAFF MEMBERS PRESENT:**

J. Randall Stephenson, Committee Counsel  
Jennifer Ruedy, Committee Policy Analyst  
Millicent Jorgenson, Committee Manager  
Judith Coolbaugh, Committee Secretary  
Sherwood Howard, Committee Assistant

**OTHERS PRESENT:**

Tony Lesperance, Ph.D., Director, State Department of Agriculture  
Lon Beal, Administrator, Division of Measurement Standards, State  
Department of Agriculture  
Chris Collis, Administrator, Agriculture Enforcement Unit, Division of  
Livestock Identification, State Department of Agriculture  
Mark Jensen, Director, Division of Resource Protection, State Department  
of Agriculture  
Dr. Phil LaRussa, State Veterinarian and Administrator, Division of Animal  
Industry, State Department of Agriculture  
Dawn Rafferty, Administrator, Division of Plant Industry, State  
Department of Agriculture  
Jeff B. Knight, State Entomologist, Division of Plant Industry, State  
Department of Agriculture  
William S. Striejewski, Senior Petroleum Chemist, Division of  
Measurement Standards, State Department of Agriculture

**Chair Claborn:**

[Roll called.] Today, we begin by introducing our Committee members and staff. I have been a member of this Committee for the last six sessions, and this is my third session as Chairman of this Committee. In addition to myself, there are six returning members to the Committee. They are: Vice Chairman Hogan, Assemblyman Bobzien, Assemblyman Carpenter, Assemblyman Goicoechea, Assemblyman Grady, and Assemblyman Ohrenschall. We also have four new members on this Committee. They are: Assemblyman Aizley, Assemblyman Gustavson, Assemblyman Munford, and Assemblyman Segerblom. Thank you for being here and welcome to the Committee. I would like each of you to introduce yourself and to state your goals on this Committee for this Legislative session, starting with Mr. Ohrenschall.

**Assemblyman Ohrenschall:**

Thank you, Mr. Claborn. I have known you for many years and have a great deal of respect for you. My mother, former Assemblywoman Ohrenschall, served as Vice Chair on this Committee under Assemblywoman de Braga. I have enjoyed working with the Chair on this Committee and on the Public Lands Committee last session, and I look forward to working with him again this session.

**Assemblyman Bobzien:**

I represent Assembly District 24 which includes parts of northwest Reno, northeast Reno, Stead, and the north valleys. It is a pleasure to be back on this Committee. I am an active recreationist and dedicated outdoorsman in Nevada.

I fly-fish as much as I can, and I am involved in chukar hunting. I am interested in the bills that come through this Committee, and I look forward to working with everyone.

**Assemblyman Gustavson:**

I represent Assembly District 32 which includes the Spanish Springs area, Sparks, and a large rural area extending north to the Oregon border, west to the California border and east to Battle Mountain. I have been interested in serving on this Committee for quite some time. Transportation has always been my area of expertise, but I am interested in all aspects and concerns of the people.

**Assemblyman Aizley:**

I represent Assembly District 41 in Clark County. It is a fairly long and skinny district located north of the university and south of the airport. I am interested in all issues and concerns relating to natural resources. I enjoy the natural environment by mountain hiking and river running. I was raised in Boston, fifty years ago, but now my goal is to fix this State while I have some years left to do so.

**Assemblyman Grady:**

I represent Assembly District 38 which covers Storey County, Lyon County, Churchill County, and parts of Carson City. I am a native Nevadan born in Tonopah, and raised in the Reno area where I have lived most of my life. I have always been involved with rural areas and rural issues.

**Assemblyman Carpenter:**

It is good to be back on this Committee for my twelfth Legislative Session. It seems natural for a cowboy and a sheepherder, both of which I am, to serve on this Committee. At one time, I even got to be co-Chair on this Committee when the Legislature was tied twenty-one to twenty-one. Assemblywoman de Braga and I shared the position. I have always enjoyed this Committee, and I am glad to be back serving on it again.

**Assemblyman Hogan:**

I represent Assembly District 10 which is somewhat devoid of agricultural production since it is located in the center of Las Vegas. However, I was born and raised in the very agriculturally-oriented State of Iowa, and come from a two-generation family of farmers. I have a very healthy interest and respect for the importance of agricultural production. Iowans do not call their properties ranches, but I have a lot of respect for the ranching activity in this State. I believe natural resources will also be an important part of our activities this year, and that area has always been a strong interest of mine. This will be my third term on this Committee and second as Vice Chair. I hope this Committee

can accomplish some valuable services this session for its ranching and agricultural communities.

**Assemblyman Goicoechea:**

I represent Assembly District 35 which starts at the Utah border and extends all across the State to within twenty-six miles of the California border. It encompasses parts of eight counties and is truly central Nevada. It probably has the best people within the State of Nevada. I am a third generation Eureka and White Pine Counties rancher. This is my fourth session to serve on this Committee. Our Chair, Mr. Claborn, will listen to the issues and hear our concerns. I enjoy working on this Committee since it covers the key components represented in my District.

**Assemblyman Munford:**

I apologize for being tardy. I had difficulty finding this Committee room since I have never been in it before. I represent Assembly District 6 which is the urban core of Las Vegas near downtown Las Vegas and the Strip. I own a couple of horses and enjoy pleasure riding. I expect to learn a great deal serving on this Committee.

**Chair Claborn:**

Next, I would like to introduce our staff. Our Committee Manager is Milli Jorgenson. She also serves as my Personal Secretary. I want to thank her for sticking by me since my freshman term. I owe her a great deal of gratitude. Thank you, Milli. Judith Coolbaugh is our Committee Secretary, and a retired school teacher. Sherwood Howard, or Woody as we call him, has only been in Nevada for a year and wants to attend the University of Las Vegas's School of Architecture. Our Committee Policy Analyst is Jennifer Ruedy who was with this Committee last session as was our Committee Counsel, Randy Stephenson. I am glad to have them both back. Although this is my sixth session, this is the first time I have seen my wife and daughter in the audience. Welcome.

Our first order of business is to adopt the Committee Standing Rules. A copy is located in your folders ([Exhibit C](#)). There are a few minor changes to the rules, and Ms. Ruedy will explain them to you.

**Jennifer Ruedy, Committee Policy Analyst:**

For clarification, Rule 22 now reads: "A two-thirds majority of the entire Committee...." Previously the word "entire" was not included. This is to avoid any misinterpretation that might imply a two-thirds majority of the Committee members present instead of a two-thirds majority of the Committee as a whole is required to reconsider action on a bill or resolution.

Rule 23 has the added wording that says "...which are not prefiled requires concurrence of a majority of the entire Committee ...." The previous Rule 23 stated a two-thirds majority was necessary. The Assembly Standing Rules 42.4 and 42.5 adopted on Monday reflect these changes. It now takes just a majority of the entire Committee for Committee introduction of Legislative measures. I have two copies of the Assembly Standing Rules with me if anyone would like to look at them.

**Chair Claborn:**

We will give the Committee some time to analyze these changes. Are there any questions? [There were none.] I will accept a motion.

ASSEMBLYMAN CARPENTER MOVED TO ADOPT THE  
COMMITTEE STANDING RULES.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN SEGERBLOM WAS  
ABSENT FOR THE VOTE.)

Next, Mrs. Ruedy will present the Committee Brief ([Exhibit D](#)).

**Jennifer Ruedy:**

[Read from testimony submitted in writing ([Exhibit E](#)).]

**Chair Claborn:**

Are there any questions? [There were none.] Our next item of business will be presentations by the Department of Agriculture. I believe it will be helpful for the Committee members to hear from the Department administrators since they will be testifying before this Committee at our bill hearings. There are many new faces in the departments from two years ago, including the Director of the Department of Agriculture. For those testifying today, please turn on your microphone prior to speaking and clearly state your name for the record. Please provide a business card and a copy of prepared remarks to our Committee Secretary. We would like to welcome Mr. Lesperance.

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

Thank you very much. I was asked by Assemblyman Goicoechea to keep my remarks short because he and I have served on many committees together over the last thirty years. He says I talk too much and he talks too fast, so we make a good team. I am going to ask my Department heads to begin their presentations after a few other introductions. My Chief Financial Officer, Maureen Groach, is here. She has been walking through a literal minefield for

the last three or four weeks. My Administrative Assistant, Sandie Foley, is also here. She is actually one of my bosses. Another one of my bosses is Ramona Morrison, the Vice Chair of the State Board of Agriculture which obviously has a great deal of control over the Department of Agriculture. I wish to comment briefly on the status of agriculture in Nevada. With the exception of a few, most of this Committee's members are not closely involved with agriculture.

About twenty-five years ago, you were probably deluged with information about agriculture because at that time we had a very active agricultural college at the university. It had four full-time people devoted to providing publicity about agriculture, and it had a very active extension service. Also, we had people within the Department of Agriculture exclusively devoted to publicity. All those functions are history now. Most of my comments today are found in the *Nevada Agricultural Statistics 2007-2008* publication ([Exhibit F](#)) that has been provided to you. It illuminates some very interesting trends. For example, in 1987, twenty-two years ago, the gross income generated from Nevada agriculture amounted to \$241 million annually. In 2007, that amount was \$553 million. We believe this coming year, because of elevated crop prices, that figure will be close to \$700 million. We do not have extensive corporate farming or corporate agriculture in Nevada. Almost all of our farms and ranches are owned by individuals, families, and small businesses. Consequently, almost all money generated from the sale of agricultural products stays in agriculture, and is recirculated to buy equipment, supplies, and to pay personnel. When you throw in property taxes and other taxes paid by agriculture, the direct and indirect income generated by agriculture is about \$2 billion annually. Agriculture is a far bigger business than most people realize. We do not publicize this information nearly as much as we should, but the figures clearly show just how important agriculture is to rural Nevada and the State of Nevada.

Lyon and Humboldt Counties lead the state in agricultural production. They are tied at 16 percent each. Elko County is in third place at 13 percent. Churchill County is about 10 percent followed by Pershing County at about 9 percent. Assemblyman Hogan, I heard you make a comment that there is limited agriculture in your district. In reality, there is quite a bit. You may not realize it, but there are booming greenhouse and nursery industries in Clark County. Given time the greenhouse industry in Nevada will become very important, and Clark County, as an agricultural producer, will move to a much higher position in the agricultural ranking.

Some of the trends in the agricultural industry are disturbing. Our livestock numbers have consistently been declining since 1982. Up until 1982, the annual average cattle population was about 700,000. The latest count, as of

2008, finds the state down to 450,000. This dramatic drop in livestock numbers is due to many factors, but the primary problem has been difficulties associated with the management of Bureau of Land Management (BLM) and U.S. Forest Service lands within the state. In spite of the declining cattle population, the remaining herds have generated a continual increase in the industry's gross income because of better nutrition, improved genetics, and advanced management techniques. Most cattle are sold as calves in the fall and moved to grass or feedlots. Although the price has not dramatically improved, overall the industry has done fairly well.

Irrigated agriculture has also followed a similar downward trend. In 1982, there were almost 600,000 acres of irrigated land in the state. Now that figure is about 530,000. Yet, irrigation improvements made through the use of pivots and new crops have more than improved the economic return. In fact, the state is currently at an all-time high for income generated from irrigated crops. Lettuce is one of the state's new crops moving to the forefront. Nevada is becoming a major worldwide exporter of lettuce, which is mostly grown in Lyon County. We also have a small but growing viticulture industry in the state. We have 20 to 30 small vineyards, and a couple of major ones. We have three or four people producing varietal wines, and they are doing a very good job of it. Some of their wines sell for \$50 a bottle. We believe there is a tremendous future for viticulture in the state. Agriculture has a bright and healthy future in the State of Nevada. It is producing over \$2 billion of direct and indirect financial aid to rural Nevada and to the entire state.

The current economic downward spiral has affected this Department. In 2008-2009, we closed out ten positions and returned approximately \$1 million of General Funds back to the state. The current Governor's Budget under deliberation eliminates an additional eleven positions, and requires the Department to return another \$2.3 million in General Funds to the state.

There are a few additional points for your consideration. One is regulation. People tend to not like it, so regulation often has an undeserved negative connotation. Yet, regulation plays a very important part in the agricultural industry in the production of edible products which can be packaged and sent out for distribution. I call your attention to the example of the Peanut Corporation of America in Georgia. It was not tightly regulated, and, as a consequence, it contaminated many of its products with salmonella and distributed them far and wide. This has resulted in a recall that is currently approaching a billion dollars, and ten or twelve deaths from this source have been reported. The problem with the Peanut Corporation of America and the Agriculture Department in the State of Georgia is they failed. The company did its own thing and got sloppy because of a lack of adequate regulation. The

Georgia Department of Agriculture was underfunded and did not properly fulfill its regulatory function. Now, the Peanut Corporation of America and possibly the Georgia Department of Agriculture are looking at monstrous lawsuits. When all the finger pointing gets done, the sad fact is about ten people have died and hundreds have become violently ill. Georgia's peanut industry has almost been destroyed. Our state products that are shipped worldwide are inspected and regulated by our Department. Our Department upholds these requirements to the fullest extend of its ability, and it is our number one priority.

There have been some deliberations in years past in front of this Committee and the finance committees about computer programs for the data collection of weights and measures and for billing. It is a very complicated area. The Department of Agriculture purchased a somewhat controversial \$250 million computer software program for development of that project from GL Suite, Inc. I became Director of the Department of Agriculture on March 1, 2008, and by April 1, 2008, I came to the conclusion the GL Suite, Inc. computer program was a total waste of money. I instructed our people to close out the program. I would spend no more money on it. I asked our people if we could resurrect the previous program and make it work. I was told it was possible, but it would cost \$250 million. Our Department did not have those funds, but since I believed our people had the expertise to do the job themselves, I asked them to go ahead and convert the program back to the old software. Mr. Beal and Dr. Mason were instrumental in resurrecting the old program, and it is now totally functional and meets the needs of Weights and Measures. I am sorry we wasted that money on GL Suite, Inc. before I became the Department's Director. A booklet entitled *Expanded Program Narrative, Biennial Budget, 2009-2011* ([Exhibit G](#)) has been distributed to the Committee. I will now turn the comments over to the Department heads.

**Chair Claborn:**

Are there any questions? [There were none.]

**Lon Beal, Administrator, Division of Measurement Standards, State Department of Agriculture:**

I will try to address the situation with GL Suite, Inc. later, even though I did not bring detailed information with me. I do have a PowerPoint presentation ([Exhibit H](#)) and a copy of it has been distributed to the Committee. The Bureau of Weights and Measures is charged with the licensing and certification of commercial weighing and measuring devices. We are a fee-based department, so the current economic downturn has not seriously affected our funding. In the future, it might. Our inspectors do annual inspections of all weights and measuring devices in the state in accordance with the guidelines published by the National Institute of Standards Technology. Inspections are conducted on



fuel dispensers for volumetric accuracy, and product samples are collected and sent to the Bureau of Petroleum Technology for chemical analysis. We also inspect for proper advertising and labeling on motor fuel dispensers. Storage tanks and quality of fuels are covered differently. The Department registers firms that install new devices and repair and calibrate scales that our inspectors have determined to be out of specification.

Further, we regulate and audit public weighmasters who require a fee-based license as specified by the Bureau of Weights and Measures. We do mandated package inspections for product labeling, pricing, and tare weights. We check gasoline and diesel products to ensure they meet grade specifications. We provide services to other departments such as the Department of Transportation. Our inspectors test and inspect truck and hopper scales used by various contractors throughout the state in the upgrading and construction of roads. We also provide services to the Department of Motor Vehicles (DMV) through the public weighmasters program which allows the state to participate in interstate commerce reciprocity. We have applied for and received an additional position for an inspector in the Las Vegas area. The performance indicators in fiscal year (FY) 2008 indicated the need for the position because projected numbers dropped for that year because of understaffing.

I will address the GL Suite, Inc. situation. It seemed to be a program designed by technology for technology's sake. Some procedures do not need to be automated, and this is an example of one. Although our previous software program was a little simplistic, and it needed some features added and others enhanced, we were comfortable with it and it worked quite well. The old system is not quite fully operational, but it does get our inspectors back in the field instead of inputting information in the office.

**Chair Claborn:**

Are there any questions? [There were none.]

**Tony Lesperance:**

The lives of every person in the state are touched on a daily basis by the Department of Agriculture through its Bureau of Weights and Measures. Whether a consumer buys a gallon of gasoline or a gallon of milk, the Department guarantees consumers they are receiving exactly the right amount. Mr. Collis will give his presentation next. He was one of my better students at the university, and he has been involved with brand inspections for a long time. Everyone who is speaking today for the Department of Agriculture is new to the job with the exception of Mark Jensen.

**Chris Collis, Administrator, Agriculture Enforcement Unit, Division of Livestock Identification, State Department of Agriculture:**

[Read from testimony submitted in writing ([Exhibit I](#)).]

**Chair Claborn:**

Are there any questions?

**Assemblyman Goicoechea:**

In the last session, we failed to pass legislation that would eliminate the requirement for the Agriculture Enforcement Unit to have at least probable cause, such as livestock visible in a trailer, before a stop can be instigated. Do you feel this legal requirement has impacted your division?

**Chris Collis:**

Yes, it has impacted our division. We have to determine if the livestock being hauled in a trailer is for commercial purposes. We had an Attorney General (AG) opinion on it that upheld the provision, and I believe we are going to re-visit the issue. The opinion of the AG does not allow us to check the pet types of livestock, primarily horses, which are being transported in trailers. Livestock trailers are so improved that you almost have to pull them over to ascertain what type of livestock they are hauling.

**Assemblyman Goicoechea:**

Do you think, with a different AG interpretation, your division might be able to do some livestock stops that might be pet livestock instead of just commercial? I do not believe the intent of the legislation was to prevent stops being made. Rather, it was to ensure that a person hauling a mattress in a horse trailer would not be stopped for inspection.

**Chris Collis:**

It was the interpretation of the AG's office that put the brakes on us. The unfortunate part is losing the three full-time employees (FTE) whose sole function was enforcement. The rest of us have multiple functions within the Division. The loss of these people, especially our enforcement officer in the southern part of the state, makes it difficult to provide the service we should be giving to the plant and nursery industry there.

**Assemblyman Goicoechea:**

How many FTEs are being cut in southern Nevada? How many in northern Nevada?

**Chris Collis:**

We lost one-half a FTE in southern Nevada, and in northern Nevada we lost one-half a FTE in Winnemucca, one in Ely, and one in Reno.

**Chair Claborn:**

Do we still have a state branding inspector?

**Chris Collis:**

Yes, we do. Do you mean in Las Vegas?

**Chair Claborn:**

I mean for the whole state.

**Chris Collis:**

We have several of them.

**Chair Claborn:**

Did we lose any of them?

**Chris Collis:**

No, those are fee-based positions. The brand department has five FTEs and we have a volunteer army of over one hundred part-time deputy inspectors who work on a time and mileage basis. We frequently have a turnover in the part-time people, but we are still able to serve the industry.

**Chair Claborn:**

I remember during the last session Mr. Goicoechea mentioned the part-time officers were not properly trained. Are there any questions? [There were none.]

**Tony Lesperance:**

I would like to make a comment about the AG's opinion. We do have a new Deputy Attorney General. I have carefully reviewed the situation, and I have asked Mr. Collis to put together a position paper for the Department. We are going to try and establish some clarity about what we can and cannot do. I do not believe the intent of the legislation was the current interpretation.

**Chair Claborn:**

That was the problem last session when we were discussing some of these issues. There was a question about whether or not some of the people doing the inspections were actually qualified.

**Tony Lesperance:**

The five positions Mr. Collis is referring to are professional positions. They are Peace Officers' Standards and Training (POST) certified and qualified to do everything they are supposed to do. I have been insistent that we have qualified people to do the difficult jobs. We have about 90 plus actual brand inspectors, but they do not do enforcement.

**Mark Jensen, Administrator, Division of Resource Protection, State Department of Agriculture:**

I am also the state Director for the United States Department of Agriculture (USDA) Wildlife Services program. Budget Account 101-4600 has 12 state employees who are funded solely by the General Fund. A copy of my PowerPoint presentation has been distributed to the Committee ([Exhibit J](#)). The Division of Resource Protection and the Department of Agriculture have a cooperative program with the USDA Animal and Plant Health Inspection Services (APHIS) Wildlife Services program to collectively form what we call the Nevada Wildlife Services program. When I reference the Wildlife Services (WS) program, I mean a combination of both our Department of Agriculture and the USDA working together on it.

The mission of the WS program is to provide leadership in managing problems caused by wildlife. The WS provides technical assistance to anyone who has wildlife conflicts. In more complex situations, WS provides operational control work which can require an on-site response. Here in Nevada our main activity is predation management to protect livestock, such as sheep and cattle, from coyotes and mountain lions. The WS partners with five of the Grazing Boards to cooperatively fund livestock protection in Nevada. The WS also partners with the Nevada Department of Wildlife (NDOW) to implement their predation management plan as approved by the Wildlife Commission and funded by Assembly Bill No. 291 of the 71st Legislative Session. Currently six projects are ongoing to provide protection for Nevada's wildlife.

The WS is also involved in a variety of other wildlife projects. The WS works with the local airports to reduce and minimize wildlife hazards to aircraft which include annual Canada Goose round ups. We also collect samples for wildlife disease monitoring. This slide shows the 2008 plague survey map. Field personnel work with the Centers for Disease Control (CDC) and the Washoe County Health Department to collect samples and monitor zoonotic disease such as plague. We also have an ongoing program to collect avian influenza testing samples.

The proposed cuts include a reduction in General Fund positions from 12 to 7. Losing these field employees means significant portions of Nevada will no longer

receive assistance, and rural livestock producers will be hit the hardest. Coyotes, mountain lions, and other predators can have a significant negative impact on livestock production. The USDA research indicates this predation can especially impact wool-growers and calf populations. It will also affect our ability to respond to urban wildlife problems.

**Chair Claborn:**

Are there any questions? The WS program does a fantastic job. The programs that Mr. Jensen referenced have been instrumental in increasing wild animal and domestic livestock populations.

**Assemblyman Goicoechea:**

I agree with Mr. Claborn. People need to understand that a 42 percent budget reduction in WS funding severely impacts predatory management. Predators do not differentiate between wild animals and domestic livestock because they still need to eat daily. Whether you are a livestock producer or sportsman in rural Nevada, we cannot withstand this reduction in the WS program, and we will work on developing new funding sources. Does the 20-cent head tax on sheep for predator prevention go to animal damage control or to Wildlife Services?

**Mark Jensen:**

The 20-cent head tax is collected through the Department of Agriculture and those funds are mixed with the rest of the money used for wildlife work. The 20-cent head tax amounts to a total of \$12,000 to \$13,000 annually. I do not know exactly where it goes.

**Assemblyman Goicoechea:**

That was the point I was trying to make. We talk about the program being General Fund supported, but in reality it is the industry that supports the program. I want the public to understand that fact. As the situation worsens, we could end up having to impose a head tax on cattle. Cattlemen do support the program, but they do not pay for it. The sheep producers do. If we remove five trappers from rural Nevada, it will affect livestock operations.

**Chair Claborn:**

We will do everything in our power to find some other WS funding.

**Tony Lesperance:**

The cattlemen have taken a very proactive position on the problem already. My phone starts ringing about five in the morning from parties interested in getting money back into this program. Our next presenter is the State Veterinarian, and he is the person in charge of the Virginia Range wild horses.

**Dr. Phil LaRussa, State Veterinarian and Administrator, Division of Animal Industry, State Department of Agriculture:**

The animal industry division is responsible for animal disease surveillance, laboratory testing, regulation enforcement for imported animals, and for the control and monitoring of diseases such as brucellosis, tuberculosis, and tritrichomonas. A copy of the PowerPoint presentation has been distributed to the Committee ([Exhibit K](#)). Our division has nine FTEs, but with the proposed budget reduction we will lose one position. We previously showed \$878,000 as the base-year budget, and our current projection is General Fund monies will be decreased to \$738,000. This reduction will negatively affect our current service level.

We process about 25,000 livestock entry permits annually to prevent animal disease attacks in the state. In the last couple of years, several states have had serious problems. Brucellosis attacked Montana and Wyoming with each state accumulating an additional estimated yearly expense of \$4 million. Tuberculosis outbreaks are currently found in Minnesota, Michigan, New Mexico, and California. The cost for eradication of that infection in New Mexico has exceeded \$6 million annually, and in California the eradication effort cost about \$18 million. In 2003, California spent approximately \$160 million to eradicate exotic Newcastle disease. This disease also attacked the Las Vegas area.

Just this past year, there was a spill-over from a laboratory in England of hoof-and-mouth disease that infected the local population. England and the laboratory are being sued for \$200 million. We need facilities that can contain the diseases and keep them out of the state. Performing the division's disease surveillance function helps prevent the high additional costs for eradication. In the State of Nevada, other diseases such as anthrax are endemic. When anthrax is reported the Federal Bureau of Investigation becomes involved because of the possibility of this pathogen being used in biologic warfare. Johne's and scrapie disease control programs assist the livestock producers by enhancing the flocks or herds within the state. There is a cooperative National Animal Identification System through the USDA that provides the state with \$574,000 to assist in the management of these disease programs. Currently, the USDA has informed us that the new farm bill may eliminate that subsidy. The state has other cooperative agreements with the USDA Division of Animal Industry that provide the state with a \$97,000 annual stipend. This funding is projected to drop 30 to 50 percent next year. Another cooperative agreement the state has with the USDA provided \$159,000 last year to cover costs associated with West Nile virus infection. This year the projected amount for that program is \$80,000. The federal government is simply not providing the state with as much financial assistance as they have in the past.

The Virginia Range Estray Program receives a lot of publicity. The state is challenged by the fact the animals need to be managed. In 2000, a study suggested that 550 animals would be an adequate management level for the range, and would ensure necessary forage would last forever. This last fall the state was able to conduct a helicopter survey of the horse population in the Virginia Range which showed 1,448 horses using 80 to 90 percent of the range. The animals there now are in good "flesh." They are not starving, but they are removing the range forage. Encroachments on the range by industrial and housing developments have given the state cause for concern. In a difficult winter, there is the problem of the horses coming down from the range and causing hazards and public safety problems on the roadways. Last year, there were 24 automobile accidents involving wild horses. Luckily, there were no fatalities. The state is working hard on securing cooperation with various advocacy groups to change the management methodology for the Virginia Range. The hazards from the horses need to be reduced and the range deterioration needs to be controlled.

The division conducted hearings this summer to make changes to the trichomonosis control program in the *Nevada Administrative Code* (NAC). Changes requested include increasing the test requirement age of bulls from 8 months to 12 months. Changes to the verbiage associated with the terms "stray," "estrays," and "leased animals" were also made. If a bull is on the premises, it should be tested whether it is a known animal (stray), unknown animal (estrays), or a leased animal. The Director of the Board of Agriculture approved the changes, and they are currently undergoing final approval through the Legislative Counsel Bureau. The division is waiting for the appropriate time to present a Bill Draft Request (BDR) to change confidentiality restrictions associated with the trichomonosis control program. The issue was not resolved through the NAC hearing changes this summer because confidentiality falls under the *Nevada Revised Statutes* (NRS). At the present time, personnel are not allowed to tell an owner where the trichomonosis problem has originated. Personnel are only permitted to say that "someone somewhere has a problem and your bull is epidemiologically related to them." That level of information is of no help in determining the origination site of the disease. Even if an owner has a problem with his herd and it is on hold, the state's personnel cannot tell the owner's private practitioner that he is prohibited from writing a health certificate to move that animal because the information is confidential. The information can only be divulged if it deals with a public health event or specific, reportable, and eradicable diseases. Trichomonosis is a control program, and the division personnel need to be able to control the disease by telling people where the problems are located.

**Assemblyman Carpenter:**

What is the number of the NRS that needs to be changed?

**Dr. Phil LaRussa:**

I apologize. I do not have it with me today, but I can get the number to you.

**Assemblyman Carpenter:**

If you get it to me, we will look it over and see if we can give you some help.

**Chair Claborn:**

Are there any more questions?

**Assemblyman Grady:**

The Virginia Range constituents are in my District and they are very concerned about the wild horse population. Can you give me an idea on whether or not that area can be fenced to manage the horses? If it could be fenced, what would be the cost?

**Dr. Phil LaRussa:**

I believe it could be fenced at a high cost. However, concerned individuals have discovered wire cutters and they use them to remove enclosures. The Virginia Range is a fairly large area of close to 225,000 acres. Changes to the environment are ongoing. For example, an industrial complex wants to put a highway through the area. Fencing would assist in localizing the horse herds. However, at this stage we do not believe we are getting a large number of animals abandoned for economic reasons in the Virginia Range although we find that problem in the rest of the state. We are not finding a large number of wild horses coming across Interstate 80 from BLM lands to the Virginia Range. It is a fairly isolated area. Since funds are not available for fences, birth control programs and removal of nuisance horses are alternatives being considered.

**Assemblyman Grady:**

Of the 225,000 acres, how much would you estimate is in private ownership? We know the industrial park takes up about 100,000 acres.

**Dr. Phil LaRussa:**

I do not have the specific numbers, but 15 years ago when the BLM removed 100 percent of the horses from their lands, they indicated they could not remove any more because of the checkerboard arrangement of private property.

**Assemblyman Goicoechea:**

You indicated you were looking for a BDR to make confidentiality changes in the trichomonosis control program. We only have until Monday to submit a BDR.



I believe the Committee and the public require further clarification about the confidentiality problem. If the practitioner involved in assessing the herd cannot tell the owner or his neighbors what is happening, the public would not know if an owner is in quarantine. For example, an adjacent livestock owner would not know that information until he calls for a health certification. The owner may have a product to ship, and if he is not aware of the quarantine until the shipping date, he is shut down. He cannot move his product because the neighbor has a trichomonosis problem. I am asking this Committee to help the livestock industry by supporting a BDR. It is an existing condition that will not work for the industry. A neighbor has to be notified if his herd is going to be infected or contaminated by a contact herd. If the division has a BDR drafted, this Committee can find backers. This Committee Chair has a committee bill that we may be able to impose on him to bring forward. It is essential to the livestock industry.

**Dr. Phil LaRussa:**

I will provide that information to you.

**Chair Claborn:**

Mr. Goicoechea will work with me on the BDR.

**Dr. Phil LaRussa:**

The Animal Disease Laboratory (ADL) that we have is responsible for 100 percent of the rabies evaluations within the state. We test between 350 and 550 specimens yearly for rabies, and that sampling detects 6 to 17 rabidly positive animals. The vast majority of those rabid animals are bats in Clark County, but rabid animals do exist everywhere. We can provide that information to practitioners for appropriate vaccinations of infected humans. No lives have been lost to rabies in this state.

The Department received advance notice that a pandemic West Nile virus (WNV) was anticipated. It did not turn out to be that way, but each year we test 3,000 mosquito pools for WNV, Western equine encephalitis (WEE), and Saint Louis encephalitis (SLE). Last year, 38 of those mosquito pools tested positive for WNV. To date there have been no reported deaths of people or horses from WNV.

The current ADL is in a facility that does not support the select agent capability the Department has. Select agents—those that can be used in biological warfare—are housed at the ADL. There is a strong concern that we need an adequate facility for storing them.

**Chair Claborn:**

This Committee tries to be fair and if we need to help the residents of the state, I think we should do that. We need to do something about the situation. Are there any more questions? [There were none.] Thank you for the information and please meet with us in the next few days to put something together to change the confidentiality problem in the NAC wording relating to the Trichomonosis Control Program.

**Tony Lesperance:**

Sometimes confidentiality breaks down a little bit. Recently, when this all transpired, it did not take the Department very long to notify the director that he, himself, had quarantined livestock. It turned out the director's unnamed neighbor was at fault; not the director. Dawn Rafferty is our next presenter.

**Dawn Rafferty, Administrator, Division of Plant Industry, State Department of Agriculture:**

I have distributed a copy of my PowerPoint presentation ([Exhibit L](#)) to the Committee. The Division of Plant Industry is the largest within the Department of Agriculture. It has six budget accounts and seven programs. The programs are as follows: Pest Control Licensing and Enforcement, Entomology, Agrochemical Services, Noxious Weeds, Plant Pathology, Seed and Organic Certification, and Nursery. Personnel have been cut from this program with an associated loss of services to the public. In 2007, there were 41 employees. In 2008, 37 employees remained after personnel retirements. In 2009, the program was down to 31 employees, and with the current changes in the Executive Budget, the personnel figure will drop to 25 employees, and programs will have to be eliminated.

Our Pest Control Licensing and Enforcement program has a lot of responsibilities including the enforcement of state and federal registration, recordkeeping, and maintenance of production requirements. Licensing and certification of pesticide applicators and sponsorship of continuing education and training programs for them are part of this program. A farm worker program and an endangered species protection program are maintained in conjunction with the Environmental Protection Agency (EPA). Surface and ground water are monitored for pesticide contamination. Pest inspection and regulation of wood-destroying insects are also conducted, and consumer complaint investigations are performed.

Our Entomology department is probably familiar to many of you. It does a lot of work with Mormon crickets and other insect identification. Invasive pest surveys and eradications for quarantined pests are also done. We present many

educational and outreach programs to our communities within the state. The Mormon cricket and grasshopper surveys and methods of control are an ongoing part of those programs. The division also houses and maintains the state insect reference collection. The new building and better laboratory facilities under construction will be discussed later in this presentation.

The Agrochemical Services program is responsible for laboratory services and the analysis of pesticides to support inspections and investigations. It also oversees the registration of pesticides, fertilizers, and antifreeze products. It handles special local need registrations such as the label shown on the screen for strychnine alkaloid paste. Nevada is the only state manufacturing this product and using this label. The program also administers a waste pesticide disposal program.

The Noxious Weeds program regulates weed control and abatement. A one-shot appropriation received a couple of sessions ago assists with enforcement. A weed-free forage certification program for local hay growers is administered by product inspection. Part of the program's work includes using biological controls on some weeds and completing weed mapping. Early detection and rapid response work is done as well as conducting education and outreach programs for the state. We support local volunteer Cooperative Weed Management Area (CWMA) groups through a USDA Forest Service grant.

The Plant Pathology program helps diagnosis plant health issues for crops and other plants throughout the state. It administers plant disease inspection and plant health certification. It looks for exotic plant diseases and does eradications of them as necessary. Working in conjunction with the National Plant Diagnostic Network, necessary plant disease quarantines are administered. Again, education and outreach programs are conducted in this area.

The Seed and Organic Certification and Garlic/Onion Crop Inspection programs provide certification and laboratory services for commercial crop protection. We regulate and support an emerging "green"—organic—industry. Commodities are inspected to ensure they meet national and international quarantine requirements which are extremely important in areas like Lyon County where we export lettuce. Educational and research services are administered through three industry-driven boards. The program regulates the agricultural industry to ensure the highest quality of crop production. This is one of the programs that will potentially be eliminated under the current Executive Budget.

The Nursery program licenses any businesses that sell nursery stock to provide consumers with protection. Nurseries are inspected to certify that none of the plants to be sold are infested with plant diseases or noxious weeds. The

program issues inspection documents required for Nevada growers to ship nursery stock to other states, and we enforce state regulations applying to shippers bringing nursery stock into the state. It also monitors compliance with state and federal quarantines.

**Chair Claborn:**

Are there any questions?

**Assemblyman Carpenter:**

Part of your division's budget comes from fees. Is the part slated for elimination mostly General Fund monies?

**Dawn Rafferty:**

It is all from General Funds.

**Assemblyman Carpenter:**

How much General Fund monies are you able to keep?

**Dawn Rafferty:**

At this point, we will be able to keep about 60 percent of our funding.

**Assemblyman Goicoechea:**

Is the position in the Seed and Organic Certification program being eliminated?

**Dawn Rafferty:**

Yes, it is scheduled to be cut.

**Assemblyman Goicoechea:**

It is an essential program like the trappers referred to in the Wildlife Services program.

**Assemblyman Grady:**

Thank you for helping us with the lettuce inspection problems we were having in Lyon County. Is this the position that is being eliminated?

**Dawn Rafferty:**

No, it is not the same position. The problems we had with the lettuce were inspection oriented and internal administrative assistance issues.

**Chair Claborn:**

Are there any more questions? [There were none.]

**Tony Lesperance:**

For clarification, the Seed and Organic Certification position in the Executive Budget is scheduled to be cut. We are investigating every possible alternative to keep that position, and saving that position is my number one priority. We are investigating the possibility of an exchange with another position, and have received a favorable interpretation of that possibility after some discussions conducted earlier today. Hopefully, we can save that position.

**Assemblyman Goicoechea:**

Please keep us posted on all these positions.

**Tony Lesperance:**

I would like to ask Ms. Rafferty to show a few slides of the new building.

**Dawn Rafferty:**

When I was asked to be this division's administrator, I was unaware that Mr. Lesperance was going to ask me to be the liaison with the State Public Works Board (SPWB) for our new building. It has been a challenging undertaking. The building is approximately 70 percent completed. We have given all the employees, especially the laboratory ones, ample say in determining what facilities are necessary for their programs.

**Chair Claborn:**

A couple of years ago during the Las Vegas building boom, there was an influx of scorpions coming into the state on palm trees used on construction projects. Were those pests eradicated?

**Dawn Rafferty:**

I would like Jeff Knight to answer that question.

**Jeff B. Knight, State Entomologist, Division of Plant Industry, State Department of Agriculture:**

There have been two major problems with pests entering the state. One was the fire ant coming into southern Nevada from California. Our inspections have slowed down that infestation, but we continue to survey and evaluate the situation to keep them out. We have done several fire ant eradications over the years.

The other problem was the bark scorpion which was already established by the time it was discovered, so complete eradication was not possible. Its primary habitat is on the bricks of building walls in Las Vegas. A side benefit to the scorpion infestation is it eats cockroaches. There are some control methods that can be used around a residential area, but the scorpions are here to stay.

**Dawn Rafferty:**

I will continue with our new building portion of the PowerPoint presentation. The building is located in front of our existing Weights and Measures building in Sparks.

When it is finished, there will be 52 offices and 34 cubicles for the department's administrative personnel. This slide shows cabinets waiting to be installed in the laboratories. A greenhouse is under construction for the plant pathology and seed certification programs. This greenhouse will be a major plus for the department since we currently do not have any greenhouse facilities. There are also miles and miles of specialty piping being installed for the chemistry, entomology, and animal disease laboratories. Although we still have a lot of work to finish, we are hoping to move into the new facility on July 1, 2009.

**Chair Claborn:**

Are there any questions? [There were none.]

**Tony Lesperance:**

Dawn Rafferty, a representative of the Public Works Board, and I tour the facility every Tuesday afternoon. If anyone from the Legislature is interested in seeing the building, I would be happy to accommodate them for a personal tour.

**William S. Striejewski, Senior Petroleum Chemist, Division of Measurement Standards, State Department of Agriculture:**

[Read from testimony submitted in writing ([Exhibit M](#)).]

**Chair Claborn:**

I have a couple of questions. Do we still have two fuel standards being used in the state? One standard is designated for the northern part of the state, and the other for the southern. Was that discrepancy ever corrected or are we continuing to operate under the dual standards system?

**William S. Striejewski:**

We will not be working on the problem this session, because as the standards currently stand, there is no division in the state.

**Chair Claborn:**

Are there any more questions? [There were none.]

**Tony Lesperance:**

I would like to make a comment about Mr. Striejewski. When I became the Director of the Department, I found him working diligently at his station at the back of the laboratory. I asked him if he would like to become more involved and he said no, he loved his job. He just wanted to be a "bench chemist," so I said "you are the man for the job," and he is now in charge of the division. His position is politically difficult because of the non-existent thirty-eighth parallel division in the state. However, I have three different lobbyists in my office this week telling me the division is coming back.

The Department was aware of the initial budget cuts in November, but at that time, we did not believe the cuts were going to happen. We will not make that mistake again. About three days before the Governor spoke about the latest budget cuts, we realized it had happened. It left us in a very difficult position. Some of the cuts we had to make are very controversial, but I would like to make one thing absolutely clear. One hundred percent of the cuts are my decision, so if you have a "bone to pick with someone," I'm the person.

**Chair Claborn:**

Therefore, the "buck" stops with you. You and your crew are doing an excellent job, and we all appreciate the amount of work that you do. I am opening this hearing to public comments. [There were no public comments.]

**Tony Lesperance:**

I would like to re-affirm that I and Dr. LaRussa will meet with Mr. Goicoechea after this hearing to evaluate the next step to eliminate the confidentiality problem in the Trichomonosis Control Program.

**Chair Claborn:**

This hearing is adjourned [at 3:25 p.m.].

RESPECTFULLY SUBMITTED:

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Judith Coolbaugh  
Committee Secretary

APPROVED BY:

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Assemblyman Jerry D. Claborn, Chair

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



## EXHIBITS

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

**Date:** February 4, 2009

**Time of Meeting:** 1:31 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	Jennifer Ruedy, Committee Policy Analyst	Committee Standing Rules
	D	Jennifer Ruedy	Committee Brief
	E	Jennifer Ruedy	Prepared Testimony
	F	Tony Lesperance, Director, State Department of Agriculture	Nevada Agricultural Statistics 2007-2008
	G	Tony Lesperance	Expanded Program Narrative, Biennial Budget, 2009-2011
	H	Lon Beal, Administrator, Division of Measurement Standards, State Department of Agriculture	PowerPoint Presentation
	I	Chris Collis, Administrator, Agriculture Enforcement Unit, Division of Livestock Identification, State Department of Agriculture	Prepared Testimony
	J	Mark Jensen, Administrator, Division of Resource Protection, State Department of Agriculture	PowerPoint Presentation
	K	Dr. Phil LaRussa, State Veterinarian and Administrator, Division of Animal Industry, State Department of Agriculture	PowerPoint Presentation
	L	Dawn Rafferty, Administrator, Division of Animal Industry, State Department of Agriculture	PowerPoint Presentation
	M	William S. Striejewskie, Senior Petroleum Chemist, Division of Measurement Standards, State Department of Agriculture	Prepared Testimony

