MINUTES OF THE SENATE COMMITTEE ON NATURAL RESOURCES

Seventy-fifth Session May 19, 2009

The Senate Committee on Natural Resources was called to order by Chair David R. Parks at 2:36 p.m. on Tuesday, May 19, 2009, in Room 2144 of the Legislative Building, Carson City, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator David R. Parks, Chair Senator Allison Copening, Vice Chair Senator Dean A. Rhoads Senator Dennis Nolan

COMMITTEE MEMBERS ABSENT:

Senator Mark E. Amodei (Excused) Senator Bob Coffin (Excused) Senator Bernice Mathews (Excused)

GUEST LEGISLATORS PRESENT:

Assemblyman David P. Bobzien, Assembly District No. 24 Assemblyman Jerry D. Claborn, Assembly District No. 19 Assemblyman Pete Goicoechea, Assembly District No. 35 Assemblywoman Peggy Pierce, Assembly District No. 3 Assemblywoman Debbie Smith, Assembly District No. 30

STAFF MEMBERS PRESENT:

Randy Stephenson, Committee Counsel Michelle Van Geel, Committee Policy Analyst Shirley Parks, Committee Secretary

OTHERS PRESENT:

Leo Drozdoff, P.E., Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources

Kyle Davis, Policy Director, Nevada Conservation League

Chad Bliss, Eureka County Wildlife Board

Dianne Belding

Judi Caron

Jeremy Drew, Coalition for Nevada's Wildlife, Inc.

Bjorn Selinder, Churchill, Eureka and Elko Counties

Be-Be Adams, Manager, Community Relations and Government Affairs, Barrick Gold of North America, Inc.

Dylan T. Shaver, Newmont Gold

Sharon Netherton

Jodi Stephens, Legislative Director, Office of the Governor

Kenneth E. Mayer, Director, Nevada Department of Wildlife

Tom Cavin, Commissioner, Nevada Department of Wildlife

Daryl E. Capurro

Ira Hansen

Gerald Lent, Chair, Board of Wildlife Commissioners

Tina Nappe

VICE CHAIR COPENING:

I will reverse today's agenda and take the bills out of order. We will begin with Assembly Bill (A.B.) 426.

ASSEMBLY BILL 426 (1st Reprint): Requires the Division of Environmental Protection of the State Department of Conservation and Natural Resources to conduct a study concerning programs for reusing and recycling computers and other electronics. (BDR S-466)

Assemblywoman Peggy Pierce (Assembly District No. 3):

This bill is a shadow of its former self, but it is still a good bill. This bill has developed out of concern for disposing of electronic waste in Nevada. Electronic waste is full of materials that should not be buried in a landfill. Many parts may be recycled. We have tried to find a current program that might be available in Nevada. We had previously tried to do this, but we were told the industries involved would rather not have a state-to-state patchwork program. What we

have decided is to request a study by the Division of Environmental Protection (DEP), State Department of Conservation and Natural Resources, but even more than a study, we have asked for an inventory of programs in the surrounding states. Next, there would be a report brought to the 76th Legislative Session. We hope to have at least one recommendation for legislation to begin a recycle, reusable program for electronic waste in Nevada. This way we will be consistent with other neighboring states.

SENATOR PARKS:

As you are all aware, on June 12, 2009, the federal government will require all televisions to be digital. We know there will be a tremendous number of television sets that will end up in the junk heap and placed in landfills. Our hope is to keep this waste from ending up there. It is known that some of the most dangerous chemicals that are found in the landfills come from a very small percentage of electronic devices. This is the impetus for <u>A.B. 426</u>. It is a good bill. We have support from neighboring states and the DEP. This will give us a jump start on the legislation we will need to pass next session.

VICE CHAIR COPENING:

I have a question. Do you have any plans to capture the electronics waste with this coming June 12, 2009, deadline? There will be discarded waste electronics.

SENATOR PARKS:

There are a number of programs that are currently in operation. Some will try to salvage and reuse discarded electronic equipment. There are other programs that are operated by manufacturers. They are offering rebates or various ways to safely discard the old electronic equipment. There are some nonprofits and we have some manufacturers currently operating a number of programs throughout the state. Our hope is to coordinate these efforts into a seamless program.

VICE CHAIR COPENING:

Assemblywoman Pierce, you indicated that a portion of language was deleted from the bill. Would you tell us what was deleted?

ASSEMBLYWOMEN PIERCE:

The bill required that we begin to fund a program at the state level that would receive contributions from the manufacturers at a percentage of their market

value. The money would go towards a recycling waste program. This is not part of the bill.

VICE CHAIR COPENING:

We have two people who have signed in to speak to A.B. 426.

LEO DROZDOFF, P.E. (Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources):

The bill has been described very well. Obviously, we are here in support of the bill. We appreciate the opportunity to work with Assemblywoman Pierce and Senator Parks. We have begun work on this task already. We have had a number of conversations with various manufacturers, their representatives and retailers who are committed to completing this work. We think we will be able to deliver an end result that is expected. There are some milestones along the way, specifically, identifying the existing programs at the manufacturer and retail level. As they are recognized, we will do our best to make sure these programs are inventoried and people are aware of them. We plan to use various outreach efforts such as Websites and the like.

KYLE DAVIS (Policy Director, Nevada Conservation League):

We are in support of this bill. It is a good bill. We definitely want to see it move forward. This issue is going to continue to be a problem, especially with the transition to digital television on June 12, 2009. Electronic waste could create a public health problem if it is not properly handled. We support the idea of an organized statewide program to recycle electronic waste.

VICE CHAIR COPENING:

Committee, do you have questions for the testifiers? Are there any other questions or comments? Is there a desire to move the bill?

SENATOR RHOADS MOVED TO DO PASS A.B. 426.

SENATOR NOLAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

VICE CHAIR COPENING: We will open the hearing on A.B. 246.

ASSEMBLY BILL 246 (2nd Reprint): Makes various changes relating to hunting. (BDR 45-512)

ASSEMBLYMAN DAVID P. BOBZIEN (Assembly District No. 24)

I will introduce <u>A.B. 246</u>, and there are others who will give a more in-depth description of the bill. You will receive a handout titled "Families Afield: Revised Youth Hunting Report" (<u>Exhibit C</u>, original is on file in the Research Library). As amended, <u>A.B. 246</u> started off as the apprentice hunting bill and has now grown to include two other very worthy components, the Silver State Tag program and the Dream Tag program. It is my belief that all three components together represent a very strong package for sportsmen and conservation proponents as a way to address the various challenges with wildlife habitat within the state.

ASSEMBLYWOMAN DEBBIE SMITH (Assembly District No. 30):

I will give some background on my part of <u>A.B. 246</u>. We have provided you with a handout titled, "Restoring Nevada's Landscape" (<u>Exhibit D</u>, original is on <u>file in the Research Library</u>). This PowerPoint program has details of how the program will work. You were given two handout letters regarding similar programs in their states; one is from Montana (<u>Exhibit E</u>) and the other from Idaho (<u>Exhibit F</u>).

I was approached by Judi Caron and Dianne Belding, who are very active in the sports world, requesting a possible wildlife tag lottery like some of the other neighboring western states. They were interested in having another opportunity for sportsmen and sportswomen to have access to a tag. Not everyone is successful with the draw for big game tags in Nevada. Primarily, they were interested in raising funds to repair habitat that has been destroyed by wildfire across the state. We began to work with them and with our staff over the ensuing months, and we hoped to come up with a way to make this idea work. It has been explored previously, but no one ever followed through with a plan. Our legal counsel drafted a mechanism to bring the idea to reality. Unfortunately, we have not had time to bring this idea before all the local game boards and commissions prior to session. I will take responsibility for this.

The concept is simple. A nonprofit would take charge of this program and then contract through the same organization that the State uses to be able to sell a raffle ticket to buy a big game tag. It could be more complicated because of the state lottery provision. It needs to go through the nonprofit realm to enable this to happen. It needs to be separate from the Department of Wildlife (DOW). The nonprofit then donates the money back to the DOW for habitat restoration.

I want to be up front about this bill and the challenges we have had. The bill created a great deal of emotion. There have been many comments made. My feeling is that the whole bill is an effort for both hunting and conservation communities. It has the potential to generate a great deal of money for state restoration. We have worked hard to produce a bill that provides oversight, accountability and opportunity for those in the sporting world. This bill has the support of the National Rifle Association, the Nevada Conservation League, the Nevada Wildlife Coalition and the Nevada Mining Association.

VICE CHAIR COPENING:

Are there questions from the Committee?

SENATOR NOLAN:

I applaud your efforts to bring this bill forward. Anything we can do to help the state economic situation is appreciated. My family members are hunters. I have a question about the big game tag draw. After the draw for tags, a number of those are not filled at the end of the year. I know that the DOW calculates the number of takes based on the entire population of a species. Is an effort being made to try another draw for more tags at the end of the season if there is a larger species count?

Ms. Smith:

The director of DOW is here and will answer your question when he speaks about the bill.

ASSEMBLYMAN PETE GOICOECHEA (Assembly District No. 35):

I want to thank Assemblyman Bobzien for allowing me to amend into his bill. The language in A.B. 246 is actually part of a bill I brought on request from the Eureka County Game Board. This bill has been through a four-year process to this point. The portion of the bill we are responsible for is the Silver State Tag Drawing. This is another way to enable the DOW to implement another tag drawing. This money would go to the Wildlife Heritage Trust Account under the

DOW. It is administered by them for habitat for mule deer or any other game species they choose. It is predominately for habitat improvement. I have Chad Bliss here today, the original author of this part of the bill, with a spreadsheet handout for more detailed information.

ASSEMBLYMAN BOBZIEN:

I will review with the Committee the concepts behind the apprentice hunting program. Then Chad Bliss will bring his in-depth information on the Silver State Tag Program.

On page 6 of <u>Exhibit C</u>, you will see a chart with state-by-state hunter replacement ratio last calculated in 2000. Nevada is close to the bottom in hunter replacement ratios.

Sportsmen are the people who fund the bulk of our wildlife efforts for Nevada and are important to the DOW budget. We are looking at a hunter replacement ratio of 0.30, which means we have rocky times ahead of us in terms of the number of people who will continue the sporting tradition in Nevada. This means the money they pay in excise taxes on various firearms and ammunition will be under the amount needed by the DOW, and will make a long-term fiscal impact on the State. The question then becomes: how do we get more people involved in this sport? How do we ensure that the tradition continues in Nevada?

An idea has come forward from other states: the creation of an apprentice hunting program. In order to hunt in this State, there is a requirement to take a hunter safety course that provides training on safety, ethics and wildlife concerns, among other things. In Nevada, we do a fantastic job with this program. With the apprentice program, we provide a hunting license at no charge for a one-year term. This is a one-time-only hunting license. The idea is that for one season someone can, as an apprentice under a tutelage program, go out into the field and enjoy a hunting experience. Due to possible big game scarcity, there are some restrictions on the species that can be hunted. It has been decided that upland game and waterfowl hunting would be best. A hunting stamp would be required. The mentor of the first-time hunter would need to keep a watchful eye on the apprentice in the field. A person who has had a license in another state is disqualified and will not be able to participate in this program.

CHAD BLISS (Eureka County Wildlife Board):

I will be speaking about the Silver State Tag Drawing on page 3, line 13, of A.B. 246, and page 10, lines 1 to 16. This idea was brought to the Board of Wildlife Commissioners in November 2007, and with the support of the Commissioners we have moved the idea forward. We have worked closely with the County Advisory Boards and hunters across the state to develop the language for this bill. The DOW sets aside 15 big game tags each year that are called Heritage Tags or Governor's Tags. These tags are issued through a sealed bid process or sold at a live auction to the highest bidder. In the past, some of these tags have sold for as much as \$100,000. The average hunter, the backbone of our program, is buying a hunting license and has never had an opportunity to have such an elite tag. With these tags, it is possible to start elk hunting with a rifle from mid-July through January 31 in an area where there is no open season. We decided to use a draw process for the Silver State Tag, rather than a live auction. It is already set up and has proved successful. This is the basic language of the bill. There are no additional tags within the bill. It is another way we can give out the Heritage Tags. The drawing will cover a sealed bid through live auction or the Silver State Tag Drawing system. The benefit to the average hunter is the fact that everyone has the same opportunity to receive the tag. The Silver State Tags are under control of the DOW, the Board of Wildlife Commissioners and the county advisory boards. The general public can call these offices to make comments or to receive information on this particular hunt.

I have prepared a spreadsheet for your information (Exhibit G). The spreadsheet gives the estimated revenue for the Silver State Tag and is based on an application fee of \$25 for the tag. As outlined in the handout, the applications could generate approximately \$500,000 to \$700,000 or more in revenue. The fees would go into the Wildlife Heritage Trust Account. The DOW, the Board of Wildlife Commissioners and the county advisory boards have a choice of projects as to how the money is spent. This is a win-win for Nevada hunters and the State. The hunters have an opportunity to draw an elite tag, and through the DOW, the State will find ways to use the fees for habitat improvements.

Assemblyman Jerry D. Claborn (Assembly District No. 19):

I would like the Committee to know that <u>A.B. 246</u> and <u>A.B. 183</u> were passed out of the Assembly Committee on Natural Resources, Agriculture and Mining. <u>Assembly Bill 437</u> is the bill that has been rolled into these two bills. I did not

think it was worthy of a hearing, and I let it die. Now it is inserted into two good bills.

ASSEMBLY BILL 183 (1st Reprint): Authorizes the Board of Wildlife Commissioners to establish an additional kind of drawing for the existing allotment of big game tags and wild turkey tags. (BDR 45-76)

ASSEMBLY BILL 437: Provides for the issuance and sale of big game tags to be known as "Dream Tags." (BDR 45-94)

DIANNE BELDING:

I am here to speak about the Dream Tag Program. I will read my testimony from the PowerPoint handout, Exhibit D. This will make it easier for everyone.

Wildfires are devastating our landscape in Nevada. These fires have become mega-fires in the last decade. Restoration and rehabilitation are needed immediately after the fire to prevent even more cheatgrass fires. Prefire treatments are needed to keep fires small and to keep habitat resilient. The Dream Tag proposal offers a partial solution for revenue shortages. It is a raffle for Nevada's big game tags to create alternative revenue, enhance at-risk wildlife habitat and handle DOW emergencies and opportunities. This raffle is patterned after Montana's Super Tag. Other neighboring states have similar programs. In 2007, Montana's Super Tag raffle for eligible hunters brought in revenue of \$356,595. Nevada has the potential to generate more than \$2 million in revenue from the hunting community.

JUDI CARON:

Using the PowerPoint presentation from Assemblyman Bobzien's office, I will continue to read from the prepared testimony, Exhibit D. This portion of the handout addresses Dream Tag eligibility requirements, prices, numbers and chances for clients. I would like to explain first that this is a new concept that we have never been allowed in Nevada. Other states have the ability to garnish as much money and receive money from multiple chances. Because of the constitutional laws of Nevada, we do not have the opportunity to have a draw with multiple chances. We looked for an alternative revenue source outside the box while staying within the intent of our constitutional law and statutes, trying in some way to gather revenue for habitat restoration.

In order to purchase a chance for the raffle tag, a person must possess a valid Resource Enhancement Stamp (RES) with a valid sportsman's client number to purchase a chance for the raffle tags. The RES is a paperless stamp, costing \$10 annually, that generates a client number which would allow the purchase of multiple chances throughout the application period of September through July. This is an expanded time limit. The draw is a random computerized draw just like the tag draw we are doing today. Restrictions concerning successive year's hunts do not apply. One limited hunting license is provided to the successful winner of each big-game-species Dream Tag. This is a limited license for a hunt in any unit with an open season for that species during its open season with an authorized weapon. It is not a general hunting license.

For accountability, an appropriate wildlife-oriented foundation would be made up of five advisors who demonstrate a genuine objective approach to habitat management in the State. This is very important to us, because this is revenue for restoration of our habitat. The appointees will serve a term of three years and may serve two terms. The Foundation could be called the Nevada Wildlife Foundation Fund and have a board of advisors as presented in Exhibit D. A suggested administrator for these funds is the Community Foundation of Western Nevada. This Foundation provides service for three distinct constituencies and has many advantages over other funding administrators as defined in our handout, Exhibit D. Why "Community Foundation of Western Nevada"? There is no start-up cost. The fee is 1.5 percent per year. The Community Foundation prepares paperwork, reports to the Internal Revenue Service (IRS) and typically distributes grant checks within 10 days of receiving a request.

There are some restrictions on how the money is spent. It is to be used for wildlife rehabilitation and restoration, as well as prefire treatments to keep fires small and habitats resilient. Other spending restrictions are explained in Exhibit D. There are economic benefits of fire rehabilitation and restoration as well: we create jobs, and there is a need to rent equipment, make purchases, and pay for repairs, lodging, meals and fuel, among other things. Proceeds from the raffle sales will be given to the wildlife habitat management, which benefits our whole State.

SENATOR PARKS:

You referenced the Montana Super Tag program. If I purchase four tags at \$5 each, must I choose between a deer, elk, moose, goat or sheep? Is a tag a tag?

Ms. Caron:

You can choose. If you buy four tags, you can designate which tag is to be used for deer, elk, moose and sheep, or even two deer and two elk. You are the client, and we are trying to make this as easy as possible.

SENATOR PARKS:

Nevada's Constitution is clear about lotteries. Will this bill successfully steer around the issue of a lottery drawing? This may be a question for our legal counsel.

Ms. Caron:

I would like to ask some of the more qualified people to answer this question. This is the direction we were suggesting, considering our accountability with the Title 26 Internal Revenue Code section 501(c)(3) foundation. It stays within the structure of what qualifies to provide services within the requirements of the State's Constitution.

SENATOR PARKS:

Will this money be able to do a two-for-one or better match for federal grant money?

Ms. Caron:

I would like to see a ten-to-one match, but I do not know about this. Any time we can get double our money, it is helpful. This question will need to go to the director of the DOW for an answer.

Mr. Davis:

I would like to state our strong support for <u>A.B. 246</u> as amended. Each of the three programs outlined in the bill are very important for the conservation of Nevada's wildlife habitat, and especially wildlife in general, in terms of protecting it for future generations of sportsmen and sportswomen.

I would like to speak to each portion of the bill. Most of the revenue funding for wildlife is raised through hunters and anglers who buy licenses and pay other

fees. The apprentice hunter program will help recruit new hunters and increase those numbers within the State. This will generate more revenue for wildlife conservation. The Silver State Tag program with its funding opportunities was outlined very well by Mr. Bliss. We are in support of this portion of <u>A.B. 246</u> because this will create more revenue for the Wildlife Heritage Trust Account. The Dream Tag provision of the bill has been explained very well. The problem we face now is a loss of habitat to wildfire. It will most likely become even worse for our State due to the impact of climate change. We need to develop a funding source plan for restoration of wildlife habitat. The Dream Tag program could provide the money for restoration. This bill is a very important step forward for the State's conservation efforts.

JEREMY DREW (Coalition for Nevada's Wildlife, Inc.):

We fully support <u>A.B. 246</u> as amended and passed by the Assembly. I have several points that I have prepared for my testimony, and I will read them (<u>Exhibit H</u>). The three programs included in this legislation allow the DOW to implement three new and unique tools to recruit sportsmen and sportswomen.

My last point is that the various parts of the bill must be constitutional and provide proper oversight. We support the intent of the bill. I would like to especially thank all the people who have worked to develop these three programs.

BJORN SELINDER (Churchill, Eureka and Elko Counties):

Today I am speaking on behalf of the Eureka County Board of Commissioners and will specifically speak to sections 1 and 5 of the bill regarding the Silver State Tag Drawing program. It is evident that Mr. Bliss has worked very hard to develop a workable program. I would urge your support of A.B. 246. The basics of a program of this nature will provide additional resources for wildlife management and habitat restoration through the existing Wildlife Heritage Trust Account. On the basis of this proposal, it will be good for tourism and the economy, and it will certainly be simple to administer.

BE-BE ADAMS (Manager, Community Relations and Government Affairs, Barrick Gold of North America, Inc.):

This bill has the support of the mining industry. It supports outdoorsmen and a rural way of life. It is part of Barrick's corporate culture to do the same. The rural areas where we operate attract many of our employees who enjoy hunting, fishing and other outdoor activities. As a company, we support many

conservation organizations such as Ducks Unlimited, the Nature Conservancy, Trout Unlimited, the Wild Turkey Federation, the Elk Foundation and others. These organizations protect and restore wildlife habitat. We stand in support of A.B. 246.

DYLAN T. SHAVER (Newmont Gold):

I am here on behalf of our many employees who enjoy the outdoors. We support this bill because we believe it encourages responsible participation in a western tradition. Hunters really are conservationists, people who use the land more responsibly than others and this bill does encourage that responsible use.

SHARON NETHERTON:

This is such a great opportunity to give our sporting families and friends, people we care about, a tag for a special hunt. I will be able to buy chances for a hunting tag for all the sporting people I know. I am in support A.B. 246.

JODI STEPHENS (Legislative Director, Office of the Governor):

Governor Gibbons was very supportive of both the Silver State Tag Drawing, which Mr. Bliss articulated so well, and the hunter apprentice program presented by Assemblyman Bobzien. However, he did have concerns about Assemblywoman Smith's legislation. Most of the amendments we are going to present are regarding this portion of the bill. The Governor met with Ms. Caron and Ms. Belding and discussed the Dream Tag portion of A.B. 246. He has reviewed the Dream Tag portion of the bill and made some adjustments he felt needed to be addressed.

Kenneth E. Mayer (Director, Nevada Department of Wildlife):

One of the reasons I came to Nevada is the great outpouring of support from our sportsmen and sportswomen. There is no other agency director that has such a large constituency always looking for ways to generate funds to help the DOW function and do good things for wildlife. I have a second print matrix handout giving the final amendments the Governor proposes to <u>A.B. 246</u> (Exhibit I). I will read through these and answer any questions as you follow along. With this handout, you will also find the bill with the highlighted changes.

SENATOR NOLAN:

I do not know if you were here for Assemblywoman Smith's testimony. Have you had an opportunity to share these amendments with her?

Mr. Mayer:

Yes. We have been working on these changes, and she had an opportunity to see them for a short period of time. She was fine with some of the amendments and had problems with some others. Her contention has to do with the advisory board.

Ms. Stephens:

Assemblywoman Smith does not support removing the advisory board on the opinion that the Legislative Counsel Bureau (LCB) had told her that it is necessary to be legal for the lottery portion of the bill. We have not seen anything legal about that. She was going to work with LCB to see if this is something that could be removed and then seek the Governor's support. We have been waiting for more information. On the other portion of the bill, Assemblywoman Smith was reluctant to remove the naming of the nonprofit. I do not want to speak for Assemblywoman Smith.

SENATOR NOLAN:

We do not have a quorum, and so we cannot take action. This may give us some time to get the legal work completed. Is the Governor able to overlook any of the fee-related issues?

Ms. Stephens:

I have not talked to him on these particular fees; this is how the Governor would like to see the bill completed. If there is no legal issue, the proposed amendment brought by Mr. Mayer today is the way the Governor would like to see the bill finalized.

VICE CHAIR COPENING:

I would like to back up and hear a little more about the amendments. Mr. Mayer, could you elaborate on them and item 5, where you have removed "established through the Community Foundation of Western Nevada" and replaced it with "as deemed suitable by the Commission"? Is there any particular reason why you would not want this to go through the Community Foundation of Western Nevada?

MR. MAYER:

This certainly is a great foundation. In discussion with the Governor, it was suggested there may be other foundations that could do an equally good job. Giving the Commissioners the opportunity to look at and vet that in the public

forum, they could then select a 501(c)(3) that best fit the program. If there is a problem or changes need to be made, the Commissioners could do this without special legislation.

VICE CHAIR COPENING:

Another question I have is about item 6 in Exhibit I, which is to remove "and which has its principal purpose the preservation, protection, management or restoration of wildlife and its habitat." Is there a particular reason that this has to come out of the bill?

Mr. Mayer:

In the Governor's mind, it was too broad. Mainly, these are sportsmen's and sportswomen's tags. If we reach out too far, we will lose the focus of the Dream Tag purpose. The word "game" encompasses the sagebrush country of Nevada and excludes the desert.

SENATOR PARKS:

Section 12 looks like new language to me. We can ask our legal analyst, but should the words be in bold italics?

RANDY STEPHENSON (Committee Counsel):

Section 12 does not need bold italics language. It will not be in the *Nevada Revised Statutes*. This is a one-time direction for those who appoint the committee.

MR. MAYER:

I want to answer Senator Nolan's previous question: How do we determine the number of various species takes? We do surveys of the big game herds in each one of our hunting units. We find out the population of these herds and the levels of harvest the herd can sustain over time. We turn the harvest objective into tags, depending on the hunter success. We are able to reach the harvest objective and not overharvest. If there is an underharvest, then we simply wait until the following year.

SENATOR NOLAN:

I think you have answered my question. If there is an underharvest, you will have a larger population the following year. If so, do you open the harvest to ensure the health of the herd?

MR. MAYER:

We do have the authority through the Commissioners' process to have emergency hunts. This does help reduce the numbers in these big game herds. Even the sheep population has increased to a size that makes it difficult to find a new location. For instance, there may have to be a special hunt for ewes. It has not happened too often, but we do have the authority to do this.

Tom Cavin (Commissioner, Nevada Department of Wildlife):

The Board of Wildlife Commissioners voted to support the apprentice hunting program and the Silver State Tag Drawing portions of <u>A.B. 246</u>. There is no opposition to these two parts of the bill. We voted not to support the Dream Tag program <u>A.B. 437</u>. There were too many grey areas in the bill at the time it was presented. The Commissioners voted not to support the bill. At this point, I will speak of my personal issues with this bill, not as a Commissioner. I have a basic problem with changing or circumventing the Nevada Constitution. Everyone recognizes that we have a need for money for wildfire restoration and habitat.

The other issue I have is giving State property to a nonprofit organization without having control of the money. The previous testimony stated that the IRS will do the audits. Once the money goes to the nonprofit organization, the legislative auditor will never see what happens to these funds. We are relinquishing control of the money. The Governor's amendment has changed some of this. My personal issues are with the nonprofit organization. The concept for wildfire and habitat restoration is great, but I have these basic underlying issues.

DARYL E. CAPURRO:

I have reviewed the Governor's amendment. I withdraw my amendment because it is similar in content ($\underbrace{Exhibit} J$). I will mention a little history. This bill is three bills rolled into one. The apprentice hunter program and the Silver State Tag Drawing are both very well supported by everyone. There was opposition to $\underbrace{A.B.\ 437}$ which was later inserted into $\underbrace{A.B.\ 246}$ and named the Dream Tag proposal of the bill. The additional language regarding the nonprofit organization, "Community Foundation of Western Nevada," is a suggestion which is a specific 501(c)(3) group. Nevada has a general policy against single vendors. Only when there is no other vendor who can do the job, and there is a requirement to show this is the case, can there be a single vendor policy. There are many 501(c)(3) vendors who meet the criteria set forth in this bill. The

Governor makes a good point in item 8 of his amendment concerning nonprofit organizations when he says that it is best not to specify any particular nonprofit. It will give the Commissioners flexibility in case the quality of the nonprofit management declines (Exhibit I).

I would add to the testimony that we all believe these programs will raise money. What needs to be cut out is another level of bureaucratic administration. Let the Board of Wildlife Commissioners, who are already making decisions about wildlife management and habitat control, do their work. With these amendments in place, it would allow the Commissioners to use the Dream Tag program. It would allow the Commissioners to choose the nonprofit 501(c)(3) organization. It would allow this organization to have someone conduct the raffle. This will no doubt raise money. The decision about how the money is spent will be made by the Commissioners.

IRA HANSEN:

I am an involved sportsman. I have worked on this particular bill. It is important to understand that <u>A.B. 246</u> as originally drafted was supported by everyone. It passed out of the Assembly Committee on Natural Resources, Agriculture and Mining with complete support. <u>Assembly Bill 437</u> was not granted a hearing because the DOW Commissioners opposed the bill. The concept of a Dream Tag was rejected by the Commissioners. This concept has come in through the back door and has become part of this bill. The danger here is that if the Governor's amendment is ignored, we could lose the good parts of the bill. It would be a shame to lose the Silver State Tag drawing and the 12-year-old apprentice license issue because of this controversial part of the bill. I am in favor of passing A.B. 246 with the Governor's proposed amendment.

Another point I would like to make is that the Nevada Constitution is the supreme law of this State. You are all here to represent the will of the people. The Nevada Constitution says in article 4, section 24, under lotteries, "[N]o lottery may be authorized by this state, nor may lottery tickets be sold. The State and the political subdivisions thereof shall not operate a lottery." We are circumventing the will of the people. Everyone acknowledges that we are getting around the lottery provision. I am in favor of bringing more money into the State for wildfire and habitat restoration, but there is this issue about this body intentionally circumventing the supreme law of the State. Should this be happening?

One last point. The Silver State Tag and the Dream Tag are competing for the same dollars. The fairness factor is why everyone supported the Silver State Tag drawing. Everyone can buy one chance, not a thousand. An issue with the Dream Tag is that someone can spend up to \$100,000 to buy a tag that the ordinary sportsman or sportswoman could never afford. This tag gives an unfair advantage to someone who can afford to buy it.

Mr. Stephenson:

We are aware of the section of the Nevada Constitution concerning lotteries and another concerning exceptions to charitable and nonprofit organizations. The part of the bill addressing Dream Tags has been considered quite extensively by the LCB and our office, and this is the solution we have decided upon. We do not want to act against the Constitution of the State of Nevada.

GERALD LENT (Chair, Board of Wildlife Commissioners):

I called a special Commissioners meeting for input on all the bills that affected the DOW, and we were uncomfortable about the way the bill is written. Citizens do not have say as to where the money goes. The Commission voted to oppose $\underline{A.B.}$ 437 as written. The amended version of $\underline{A.B.}$ 437 did not change that much, as it still included a 501(c)(3) foundation. This had been one of the objectionable factors to the original bill.

The Board of Wildlife Commissioners has not seen the amendment offered by the Governor. I cannot speak for the Commissioners until they have reviewed it; I will speak for myself on the issue. In my opinion, this proposal with the Governor's amendment is the ideal solution to the Commissioners' objections. There was a misunderstanding when this bill went to the Assembly Committee on Ways and Means, and it was not discussed that the Commissioners were opposed to the bill. It was not brought up to that Committee.

TINA NAPPE:

I am a former Wildlife Commissioner for the DOW. I have a handout that has my main points about this bill for your information (Exhibit K). I am here to speak enthusiastically for all three parts of A.B. 246, especially the Dream Tag portion of the bill. I commend the authors of this legislation because for the first time it breaks through and provides another whole opportunity for funding the DOW. Setting up a foundation will allow the DOW to apply for other grants that may not come to a government agency but could be available through a foundation.

I like the voluntary aspects of the bill. It will attract people nationwide. One of the issues this department has faced is the limited number of nonresident tags. Opportunities to apply across the nation will do a great deal to help support the DOW and will help to maintain lower fees on Nevada's sportsmen and sportswomen. Finally, wildfires are all around us. Range management and restoration is not always about fires. It can be due to other factors as well. Range rehabilitation will occur primarily in rural counties that rely on recreational users.

SENATOR PARKS:

Mr. Mayer, would you comment on the memo you have provided for us? If this bill were to pass, have you been given an appropriation of funds to put this bill into action?

MR. MAYER:

The memo is a description of fiscal effect for <u>A.B. 246</u> (Exhibit <u>L</u>). Each portion of the bill has been broken out with the estimated revenue and expenditures. Originally, there was some misunderstanding during the Assembly Committee on Ways and Means hearing on <u>A.B. 246</u>. The DOW prepared a revised fiscal note to reflect the significant revenue and reduced expenses that resulted from the amendment adopted April 13, 2009. We did not receive a formal request for a revised fiscal note, so we prepared this for the Senate Committee on Natural Resources directly. This memo answers questions regarding any fiscal responsibility.

We have an estimate for a good beginning cash flow, and in the same year we will utilize these reserves. We could then reimburse the start-up costs with the collection of fees. Right now, we have the ability through the Wildlife Heritage Trust Account to take an 18-percent overhead charge, and that is how we pay for these kinds of programs. The plan would be for the DOW to pay up front for the programming fees. With a small investment now, we will generate more revenue down the road.

ASSEMBLYMAN BOBZIEN:

It is important to note the Board of Wildlife Commissioners fully vetted the apprentice hunter and Silver State Tag portions of <u>A.B. 246</u>. I need to address some issues within the proposed amendment by the Governor's Office. Assemblywoman Smith and I tried to build as much accountability into this program as possible, particularly when we realized the constitutional issue. We

had to employ this mechanism in such a way that would not be crosswise with the lottery issue.

The discussion on the appropriate use of the nonprofit and naming it in the statute is another issue to address. I have had extensive experience with the Community Foundation of Western Nevada and other nonprofit organizations. I cannot think of another foundation in northern Nevada that does this work. If this is the sole provider, then so be it. The other foundations that were mentioned will not take this on because this involves setting up a new program, and the incubation skillset the Community Foundation of Western Nevada brings to the table is unmatched. They would be responsible for setting up this new nonprofit holding the 501(c)(3), providing guidance and accountability when it comes to the collection and disbursement of funds and all the reporting. This is what they specialize in. Assemblywoman Smith and I will be discussing this.

Another issue, item number 10 on the Governor's matrix, deals with removing the advisory board for the Dream Tags and replacing it with the Board of Wildlife Commissioners. The advisory board is being characterized as bureaucratic. We will look at all of these suggested proposals in the amendment and continue to work with the Office of the Governor. We are concerned about accountability with some of these proposals.

SENATOR PARKS:

This bill needs a little more work. It will be hard to find time to meet at this late date in the Session. We do not have a specific date to do this, but we need to move rapidly on this bill.

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VICE CHAIR COPENING:

There is no other business to come before the Senate Committee on Natural Resources. I will close the meeting. We are adjourned at 4:30~p.m.

	RESPECTFULLY SUBMITTED:	
	Shirley Parks, Committee Secretary	
APPROVED BY:		
Senator David R. Parks, Chair	 ;	
DATE:		