

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

**Seventy-sixth Session
April 8, 2011**

The Joint Subcommittee on Natural Resources/Transportation of the Senate Committee on Finance and the Joint Subcommittee on Public Safety/Natural Resources/Transportation of the Assembly Committee on Ways and Means was called to order by Chair Dean A. Rhoads at 8:07 a.m. on Friday, April 8, 2011, in Room 3137 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Dean A. Rhoads, Chair
Senator David R. Parks
Senator Sheila Leslie

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblyman Joseph M. Hogan, Chair
Assemblywoman Maggie Carlton, Vice Chair
Assemblyman Kelvin D. Atkinson
Assemblyman David P. Bobzien
Assemblyman Pete Goicoechea
Assemblyman John Hambrick

STAFF MEMBERS PRESENT:

Rick Combs, Assembly Fiscal Analyst
Jeffrey A. Ferguson, Senior Program Analyst
Rex Goodman, Principal Deputy Fiscal Analyst
Eric King, Program Analyst
Wayne Thorley, Program Analyst
Wade Beavers, Committee Secretary

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OTHERS PRESENT:

Patrick Cates, Deputy Director, Department of Wildlife
Ken Mayer, Acting Director, Department of Wildlife
Jason King, P.E., State Engineer, Division of Water Resources
Pam Wilcox, Retired Administrator, Division of State Lands and Division of
Conservation Districts, Department of Conservation and Natural
Resources

CHAIR RHOADS:

We will open the hearing on the Department of Wildlife (NDOW) budgets.

ERIC KING (Program Analyst, Fiscal Analysis Division, Legislative Counsel
Bureau):

Page 1 of your Joint Subcommittee on Natural Resources/Transportation Closing
List #1 ([Exhibit C](#)) contains an overview of the budgets we will be hearing
today.

There are two major issues for the NDOW Administration account. The first
involves the budgetary reorganization. The second involves the continuation of
the Sagebrush Ecosystem Restoration Program.

Pages 2 and 3 of [Exhibit C](#) contain a history of the budget separation process
up to this point.

On page 3 of [Exhibit C](#), the second full paragraph describes the issue of the
separation and budgetary reorganization of NDOW. A letter of intent was issued
instructing NDOW to separate B/A 101-4452 in order to improve accounting,
reporting and planning.

INFRASTRUCTURE

WILDLIFE

WILDLIFE – Administration — Budget Page WILDLIFE-1 (Volume III)
Budget Account 101-4452

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Fiscal Staff believes that the Governor's proposal for NDOW accomplishes this goal. There are some technical issues with the classification inconsistencies and the manner in which those expenses are proposed to be recorded, but we believe that, over time, these issues can be worked out.

The recommendation appears reasonable to Staff.

ASSEMBLYMAN HAMBRICK MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE BUDGET REORGANIZATION AND ACCOUNT ELIMINATIONS AS RECOMMENDED BY THE GOVERNOR, INCLUDING ELIMINATING THE WILDLIFE ADMINISTRATION ACCOUNT, THE TROUT STAMP PROGRAM AND BOATING PROGRAM ACCOUNTS, AND ESTABLISHING THE SIX NEW OPERATING ACCOUNTS AS DESCRIBED.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

The second item pertains to the continuation of the Sagebrush Ecosystem Restoration Program. The Governor is recommending approximately \$1.6 million in federal and fee revenues over the biennium to continue the sagebrush coordination position and to cover related costs that would ensure that local governments are working together to protect sagebrush habitats.

The Subcommittee may recall that Senate Bill (S.B.) No. 146 of the 75th Session allocated \$225,000 of Question 1 Bond funds towards similar activities.

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There are two issues with this recommendation. The information that was provided by the Agency regarding the methods they used to calculate the costs for this recommendation was unclear. Notwithstanding, the fiscal Staff would recommend that the Subcommittee consider the value of revegetation programs to the State. It should be considered that, if this recommendation were approved, it might entice others who are interested in revegetation to assist in those efforts.

SENATOR PARKS:

Does the \$459,555 in fee revenues come from a specific funding source?

PATRICK CATES (Deputy Director, Department of Wildlife):

Most of the State match for this program comes from habitat conservation fees which is their purpose under State statute.

ASSEMBLYMAN BOBZIEN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR \$1.6 MILLION IN FEDERAL AND FEE FUNDS OVER THE 2011-2013 BIENNIUM TO CONTINUE A SAGEBRUSH COORDINATOR POSITION IN B/A 101-4452 AND TO COVER RELATED PROGRAM COSTS.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

The next major item related to this issue involves the Governor's recommendation to put that position in the Habitat Division, along with some funding for seed costs and contract costs. Another portion of the funding would be put into the Wildlife Diversity Division for seed and soil preparation costs.

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At a previous budget hearing, NDOW representatives indicated that the move to put the funding in two separate accounts was an effort to reduce General Fund appropriations. However, in their written response to questions from the Subcommittee, the Agency indicated that the position would go to the Habitat Division because its primary responsibilities concern wildlife habitat restoration and rehabilitation activities. They indicated that, in the Wildlife Diversity account, the Geographic Information System that they maintain would help the program with wildlife-habitat relationship information. It would also enable them to provide pre- and post-treatment information regarding the program's effectiveness.

ASSEMBLYMAN BOBZIEN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO ESTABLISH THE POSITION AND FUNDING FOR CONTINUATION OF THE SAGEBRUSH ECOSYSTEM RESTORATION PROGRAM IN BOTH THE HABITAT AND DIVERSITY DIVISIONS AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

There are other closing items listed on page 4 of [Exhibit C](#). The first contains information for the Subcommittee. It points out that the General Fund allocation for NDOW has been reduced by 41.3 percent in this biennium. That money had been used, primarily, for control of dangerous and nuisance wildlife.

Although the reduction is planned to occur, representatives of NDOW indicate that they will still be able to respond to life- and safety-threatening situations involving dangerous wildlife.

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The second closing item describes decision unit E-710 which recommends approximately \$867,000 over the biennium for replacement equipment.

E-710 Equipment Replacement — Page WILDLIFE-8

We found, through investigations, that computer and laptop requests seem reasonable. The Agency will put all of their equipment in the Operations Division, and will part it out as needed. They feel that some efficiencies will be achieved through that activity.

There are computers in this budget that were not properly documented. Staff is recommending that those computers be removed from the recommendation. This would represent approximately \$6,400 in the first year and approximately \$4,300 in the second year.

Fiscal Staff requests the authority to make those adjustments and remove funding for recommended computer equipment purchases that was not appropriately documented. With the adjustments to remove funding for unsupported computer equipment replacements, this recommendation appears reasonable.

The third closing item regards decision unit E-720 which recommends about \$727,000 over the biennium for new equipment.

E-720 New Equipment — Page WILDLIFE-9

This recommendation also appears reasonable to Staff. There are no adjustments.

The fourth closing item, as well as the rest of the information on page 6 of [Exhibit C](#), was included as information for the Subcommittee.

SENATOR LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEES
TO APPROVE DECISION UNITS E-710 AND E-720 IN B/A 101-4452 AS
RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE STAFF TO

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MAKE ADJUSTMENTS TO REMOVE FUNDING FOR RECOMMENDED
COMPUTER EQUIPMENT THAT WAS NOT PROPERLY DOCUMENTED.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA
WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

On page 7 of [Exhibit C](#), there is an overview of the budget for the Trout Stamp
Program, B/A 101-4454.

WILDLIFE – Trout Stamp Program — Budget Page WILDLIFE-29 (Volume III)
Budget Account 101-4454

The major issue in this account is the budgetary reorganization. Since that
motion was approved, the three decision units listed on page 8, E-900, E-905
and E-906, need to be approved by the Subcommittee to accomplish the
reorganization.

E-900 Transfer Fee Revenue frm Trout Stamp to WL Fund — Page WILDLIFE-30

E-905 Trans Purchas Assess frm Trout to Directors — Page WILDLIFE-30

E-906 Trans Bond Pmt from Trout Stamp to Fish — Page WILDLIFE-31

Those recommendations appear reasonable.

SENATOR LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEES
TO APPROVE DECISION UNITS E-900, E-905 AND E-906 IN
B/A 101-4454 AS RECOMMENDED BY THE GOVERNOR.

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SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. E. KING:

Page 9 of [Exhibit C](#) provides an overview of the budgetary issues for the Boating Program, B/A 101-4456.

WILDLIFE – Boating Program — Budget Page WILDLIFE-32 (Volume III)
Budget Account 101-4456

The major issue for this account is the budgetary reorganization. The decision units listed on page 10 would need to be approved in order to complete the reorganization of the Department.

E-901 Trans Replace Equip frm Boat to Law Enforcement — Page WILDLIFE-34

E-902 Trans Operating from Boating to Law Enforcement — Page WILDLIFE-34

E-904 Trans Purchasing Assess from Boating to Director — Page WILDLIFE-35

E-997 Trans County Expends frm Boating to Wildlife Fund — Page WILDLIFE-35

ASSEMBLYMAN HAMBRICK MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-901, E-902, E-904 AND E-997 IN B/A 101-4456 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

There is one additional closing item for this account. It concerns decision unit E-710 which recommends about \$67,000 in replacement equipment during the biennium.

E-710 Equipment Replacement — Page WILDLIFE-33

This recommendation appears reasonable to Staff.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-710 IN B/A 101-4456 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

Page 11 of [Exhibit C](#) contains a description of the budget issues for the Wildlife Fund, B/A 101-4458.

WILDLIFE – Wildlife Fund — Budget Page WILDLIFE-38 (Volume III)
Budget Account 101-4458

The single major issue for this account is the budgetary reorganization. There has not yet been legislation received to repurpose this account. Currently, it includes only dedicated revenue and fees that are identified in statute. It is

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proposed that other general fees and unrestricted fees as well as reserves be put into the account. It appears necessary to have legislation to repurpose B/A 101-4458. A part of the recommendation is that the Subcommittee should instruct NDOW to work with the Fiscal Analysis Division to produce a bill draft request (BDR) in order to make changes to the Obligated Reserve Account.

If the Subcommittee approves the budgetary reorganization which it has, NDOW should be instructed to provide the Fiscal Analysis Division with the recommended statutory changes necessary to allow the use of the Obligated Reserve Account as a holding account for fee revenues and reserves. We would need instruction from the Subcommittee to request that NDOW work with Fiscal Staff for a BDR that would repurpose this account.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO INSTRUCT THE DEPARTMENT OF WILDLIFE TO PROVIDE THE FISCAL ANALYSIS DIVISION WITH THE RECOMMENDED STATUTORY CHANGES NECESSARY TO ALLOW THE USE OF THE OBLIGATED RESERVE ACCOUNT IN B/A 101-4458 AS A HOLDING ACCOUNT FOR FEE REVENUES AND RESERVES.

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. E. KING:

It appeared, initially, that the Trout Stamp funds had been commingled. Staff has discovered that they were not actually commingled in the budgetary changes recommended by the Governor.

In the category of Technical Adjustments, as listed on page 12 of [Exhibit C](#), it appears that the Boating Program Reserve is overstated. Staff would like to

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request authority to make technical adjustments to the Boating Program Reserve in order to bring it to a more appropriate level.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO GRANT STAFF AUTHORITY TO ADJUST THE BOATING PROGRAM RESERVE TO APPROPRIATE LEVELS.

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

On page 13 is a description of the budget issues for the Director's Office, B/A 101-4460.

WILDLIFE – Director's Office — Budget Page WILDLIFE-47 (Volume III)
Budget Account 101-4460

The major item for this account is the budgetary reorganization. Since that has been approved, we can move on to the other items.

Decision unit E-531 recommends adjusting authority for interagency transfers and indirect cost reimbursements for the Wildlife Commission County Advisory Boards.

E-531 Adjustments to Transfers to E-931 — Page WILDLIFE-48

That recommendation appears reasonable to Staff.

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SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-531 IN B/A 101-4460 AS RECOMMENDED BY THE GOVERNOR.

SENATOR LESLIE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. E. KING:

The next budget account, beginning on page 15 of [Exhibit C](#), is the Wildlife - Operations account, B/A 101-4461.

WILDLIFE – Operations — Budget Page WILDLIFE-54 (Volume III)
Budget Account 101-4461

There are three major issues in this account, the first of which is the budgetary reorganization. Since that has been approved, all I would need to mention is that the equipment that was being eliminated for not being documented properly would need to be adjusted in this account as well.

The second item is a recommendation by the Governor to transfer a land agent III from NDOW to the Department of Conservation and Natural Resources (DCNR). The Department of Wildlife would continue to pay for this position.

At the initial budget hearing before the Subcommittee, it was indicated that there may be some problems with maintaining the work that needs to be done for NDOW as well as ensuring that the federal fees that pay for this position would continue to be received by the State if the position was transferred to DCNR. Based on written information that we have received from the agencies, it appears that they are working together on a written agreement that will satisfy

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the federal requirements to ensure continuation of federal funding for the position. Given that, the approval of decision unit E-910 seems reasonable to Staff.

E-910 Trans State Land Agent frm NDOW Ops to State Lands — Page WILDLIFE-59

The question becomes, does the Subcommittee wish to approve the transfer of the state lands agent III position to DCNR as recommended by the Governor?

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-910 IN B/A 101-4461 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. E. KING:

I will move on to the third item. The Subcommittee may remember that there were a number of decision units in this budget that, instead of netting to zero, actually increased authority. After investigating the issue, we are no longer concerned. Where indirect and other allocated costs, both revenue and expenditures, were previously received in B/A 101-4452, they are now being transferred amongst the various six operating divisions. Therefore, you need the additional transfer authority in order to pay those allocated costs. There is no issue. Their recommendations seem reasonable to Staff.

There are no issues with the E-500 decision units.

E-505 Adjustments to Transfers — Page WILDLIFE-56

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E-532 Adjustments to Transfers in E-932 — Page WILDLIFE-56

E-538 Adjustments to Transfers in E-938 — Page WILDLIFE-57

E-544 Adjustments to Transfers in E-942 — Page WILDLIFE-57

However, there are some misclassifications of expenditures which equate to approximately \$88,000. The Staff is requesting authority to make correct classifications for the indirect costs for which those funds would be used.

ASSEMBLYMAN HOGAN MOVED TO APPROVE ADJUSTMENTS TO CORRECTLY CLASSIFY THE TRANSFER AUTHORITY THAT WOULD BE USED TO PAY INDIRECT COSTS.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

There is one other closing item. This involves transfers from the administration account in which the equipment purchases coming in are being adjusted. Fiscal Staff requests the authority to make a technical adjustment to classify or remove undocumented computer purchases.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO GRANT AUTHORITY TO FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS REMOVING FUNDING FOR COMPUTER EQUIPMENT PURCHASES IN B/A 101-4461 THAT WERE NOT PROPERLY DOCUMENTED.

SENATOR PARKS SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

On page 16 of Exhibit C, under the first item, there is a discussion of decision units E-917, E-932, E-938 and E-944.

E-917 Transfer Personnel from Admin to Operations — Page WILDLIFE-59

E-932 Transfer Operations from Admin to Operations — Page WILDLIFE-60

E-938 Transfer Replace Equipment from Admin to Operations — Page WILDLIFE-60

E-944 Transfer New Equipment from Admin to Operations — Page WILDLIFE-61

These were approved in B/A 101-4452, but we would need a motion on them here as well.

ASSEMBLYMAN HAMBRICK:

Would this be a motion to follow the Governor's recommendations?

MR. E. KING:

It would follow the Governor's recommendations which were approved in B/A 101-4452.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-917, E-932, E-938 AND E-944 IN B/A 101-4461 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

I would like to return to page 13 of [Exhibit C](#) and discuss an additional closing item. This involves an issue similar to what was just discussed in that the Subcommittee would need to make a motion on the approval of decision units E-904, E-905, E-931 and E-950 in B/A 101-4460 for the Governor's recommendation on the reorganization of the account.

E-904 Trans Purchasing Assess from Boating to Director — Page WILDLIFE-50

E-905 Trans Purchas Assess frm Trout Stamp to Directors — Page WILDLIFE-51

E-931 Trans Purchas Assess frm Admin to Director's Ofc — Page WILDLIFE-51

E-950 Trans Assessments from Wildlife Fund to Directors — Page WILDLIFE-52

SENATOR LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-904, E-905, E-931 AND E-905 IN B/A 101-4460 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN GOICOECHEA WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

I will move on to page 18 of [Exhibit C](#) which discusses the account for Conservation Education, B/A 101-4462.

WILDLIFE – Conservation Education — Budget Page WILDLIFE-63 (Volume III)
Budget Account 101-4462

There are two major items in this account. The first is the budgetary reorganization and the second is the revenue/expenditure authority increase.

The separation of B/A 101-4452 was discussed and approved by the Subcommittee. I would like to note, however, that decision units E-934 and E-940 recommend equipment purchases that are going into program categories instead of the standard category for equipment purchases.

E-934 Transfer Replace Equipment from Admin to Con Ed — Page WILDLIFE-67

E-940 Transfer New Equipment from Admin to Con Ed — Page WILDLIFE-67

This is a classification issue.

Fiscal Staff recommends that the approximate \$43,000 in the two decision units be moved to the Equipment category. Does the Subcommittee wish to approve adjustments to move authority for equipment purchases to the Equipment category?

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE ADJUSTMENTS TO MOVE AUTHORITY FOR EQUIPMENT PURCHASES IN B/A 101-4462 TO THE EQUIPMENT CATEGORY.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

I would now like to ask for a motion on the decision units that would need to be approved in order to fulfill the Governor's recommendation to separate the account. Those decision units are E-913, E-926, E-934 and E-940.

E-913 Transfer Personnel from Admin to Conservation Ed — Page WILDLIFE-66

E-926 Transfer Operations from Admin to Conservation Ed — Page
WILDLIFE-66

E-934 Transfer Replace Equipment from Admin to Con Ed — Page WILDLIFE-67

E-940 Transfer New Equipment from Admin to Con Ed — Page WILDLIFE-67

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-913, E-926, E-934 AND E-940 IN B/A 101-4462 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

The second major issue for this account involves the revenue expenditure increase and decision unit E-510.

E-510 Adjustments to Transfers in E-913 & E-926 — Page WILDLIFE-64

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That proposal appears reasonable to Staff. We note that there are some classification issues with the funding for indirect costs, vehicles and information technology. With the adjustments that would correctly classify the transfer authority for indirect costs, allocation charges, vehicles and information technology costs, the recommendation appears reasonable. Does the Subcommittee wish to approve adjustments to correctly classify the transfer authority that would be used to pay indirect costs?

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE ADJUSTMENTS TO CORRECTLY CLASSIFY THE TRANSFER AUTHORITY THAT WOULD BE USED TO PAY INDIRECT COSTS IN B/A 101-4462.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

Regarding other closing items, decision units E-508, E-509 and E-511 recommend federal fund and transfer revenue adjustments.

E-508 Adjustments to Transfers in E-913 & E-926 — Page WILDLIFE-63

E-509 Adjustments to Transfers in E-913 & E-926 — Page WILDLIFE-63

E-511 Adjustments to Transfers in E-913 & E-926 — Page WILDLIFE-64

Decision units E-516, E-534 and E-540 recommend transfers between expenditure categories.

E-516 Adjustments to Transfers in E-926 — Page WILDLIFE-64

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E-534 Adjustments to Transfers in E-934 — Page WILDLIFE-65

E-540 Adjustments to Transfers in E-540 — Page WILDLIFE-65

Both of those recommendations appear reasonable to Staff.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-508, E-509, E-511, E-516, E-534 AND E-540 IN B/A 101-4462 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

The next budget account, beginning on page 20 of [Exhibit C](#), is for Law Enforcement, B/A 101-4463.

WILDLIFE – Law Enforcement — Budget Page WILDLIFE-69 (Volume III)
Budget Account 101-4463

There are two major issues with this account. The first concerns the budgetary reorganization and the second concerns the revenue/expenditure authority increases.

Given that the Subcommittee has approved the reorganization of NDOW's accounts, I would ask that a motion be made to approve decision units E-901, E-902, E-914, E-927, E-935, E-941 and E-951.

E-901 Trans Replace Equip frm Boat to Law Enforcement — Page WILDLIFE-72

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E-902 Trans Operating from Boating to Law Enforcement — Page WILDLIFE-73

E-914 Transfer Personnel from Admin to Law Enforcement — Page WILDLIFE-73

E-927 Transfer Operations from Admin to Law Enforcement — Page WILDLIFE-73

E-935 Transfer Replace Equipment from Admin to LE — Page WILDLIFE-74

E-941 Transfer New Equipment from Admin to Law Enforce — Page WILDLIFE-74

E-951 Trans Op Game Thief frm Wildlife Fund to Law Enfor — Page WILDLIFE-75

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-901, E-902, E-914, E-927, E-935, E-941 AND E-951 IN B/A 101-4463 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

The second major item concerns decision unit E-504, a revenue/expenditure authority increase.

E-504 Adjustments to Transfers in E-914 & E-627 — Page WILDLIFE-70

This recommendation appears reasonable. We would need a motion to approve.

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ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-504 IN B/A 101-4463 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. E. KING:

There are two additional closing items. The first concerns revenue adjustments for transfers from the Administration and Boating Program accounts. The second concerns expenditure adjustments in order to reflect the new categories established in the account. Both of those appear reasonable to Staff.

Another technical adjustment that Staff notes concerns one of the numerous work programs that were submitted for consideration at the Interim Finance Committee (IFC) meeting on April 18, 2011. There is one for this account that recommends including revenue expenditure authority for animal hide and skull sales for the law enforcement division. Fiscal Staff would request authority to make adjustments in the budget, provided that the work program is approved for the animal hide and skull sales that the Division would like to make.

ASSEMBLYWOMAN CARLTON MOVED TO RECOMMEND TO THE FULL COMMITTEES TO GRANT AUTHORITY TO FISCAL STAFF TO ESTABLISH APPROPRIATE REVENUE AUTHORITY IN THE UPCOMING BIENNIUM IF THE WORK PROGRAM REVISIONS RELATED TO THE ANIMAL HIDE AND SKULL SALES ARE APPROVED BY THE IFC.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

The next budget account is described on page 22 of [Exhibit C](#). It is the Game Management account, B/A 101-4464.

WILDLIFE – Game Management — Budget Page WILDLIFE-77 (Volume III)
Budget Account 101-4464

There are two major issues in this account. The first involves the budgetary reorganization and the second involves the revenue/expenditure authority increase. Given that the Subcommittee has approved the reorganization, I would ask for a motion to approve decision units E-916, E-929 and E-952.

E-916 Transfer Personnel from Admin to Game — Page WILDLIFE-79

E-929 Transfer Operations from Admin to Game — Page WILDLIFE-80

E-952 Trans Elk Damage Fees from Wildlife Fund to Game — Page WILDLIFE-80

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-916, E-929 AND E-952 IN B/A 101-4464 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

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MR. E. KING:

The second major item in this account concerns the revenue/expenditure authority increase. This item appears reasonable to Staff. There are, however, some cost classification issues. Staff requests authority to adjust those costs so that they are properly classified. Does the Subcommittee wish to approve adjustments to correctly classify the transfer authority that would be used to pay indirect costs?

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE ADJUSTMENTS TO CORRECTLY CLASSIFY THE TRANSFER AUTHORITY THAT WOULD BE USED TO PAY INDIRECT COSTS IN B/A 101-4464.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. E. KING:

There are two additional closing items in this account. The first involves decision units E-519 and E-540, which recommend a transfer between expenditure categories.

E-519 Adjustments to Transfers from E-929 — Page WILDLIFE-78

E-540 Adjustments to Transfers from E-952 — Page WILDLIFE-78

The second issue concerns decision unit E-600 which is a recommendation to reduce by \$26,000 the amount of funding that is transferred to the Department of Agriculture for the predator management services.

E-600 Budget Reductions — Page WILDLIFE-79

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This is in response to the elimination of a predator management position within the Department of Agriculture. This recommendation appears reasonable to Staff.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-519, E-540 AND E-600 IN B/A 101-4464 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

A description of the next budget account begins on page 24 of [Exhibit C](#). It is B/A 101-4465, the Fisheries Management account.

WILDLIFE – Fisheries Management — Budget Page WILDLIFE-83 (Volume III)
Budget Account 101-4465

There are two major issues with this account and they are listed on page 25 of [Exhibit C](#). The first involves the budgetary reorganization. Given that it has been approved by the Subcommittee, I would ask for approval of decision units E-906, E-915, E-928, E-936 and E-942.

E-906 Trans Bond Pmt from Trout Stamp to Fish — Page WILDLIFE-85

E-915 Transfer Personnel from Admin to Fisheries — Page WILDLIFE-86

E-928 Transfer Operations from Admin to Fisheries — Page WILDLIFE-86

E-936 Transfer Replace Equipment from Admin to Fisheries — Page
WILDLIFE-87

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E-942 Transfer New Equipment from Admin to Fisheries — Page WILDLIFE-87

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-906, E-915, E-928, E-936 AND E-942 IN B/A 101-4465 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. E. KING:

The second major item in this account concerns the revenue/expenditure authority increase described in decision unit E-503.

E-503 Adjustments to Transfers from E-915 & E-928 — Page WILDLIFE-83

What is recommended appears reasonable to Staff.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-503 IN B/A 101-4465 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

There are two additional closing items for this account. Both appear reasonable to Staff.

There is also a technical adjustment that Staff requests authority to make. If work programs are approved by IFC at the meeting on April 14, 2011, there are two that would affect this account. There is one for the Moapa Dace recovery program. There is another that would increase expenditure/revenue authority of Southern Nevada Public Lands Management Act funds for the control of aquatic invasive species in the Lake Tahoe Basin. Staff would only make those adjustments if those work programs are approved at the IFC meeting in April 2011.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO GRANT AUTHORITY TO FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS TO B/A 101-4465 THAT MAY BE NECESSARY DUE TO CHANGES IN STATEWIDE ASSESSMENTS AND CHANGES TO THE GOVERNOR'S RECOMMENDATIONS REGARDING SALARIES, BENEFITS, LONGEVITY AND MERIT REDUCTIONS.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

Page 26 of [Exhibit C](#) contains information for the Subcommittee about pending legislation that would impact NDOW.

Page 27 of [Exhibit C](#) describes the issues within B/A 101-4466, the Diversity account.

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WILDLIFE – Diversity — Budget Page WILDLIFE-90 (Volume III)
Budget Account 101-4466

There are three major items in this account. The first concerns the budgetary reorganization. Given that the Subcommittee has approved that reorganization, I would ask for approval of decision units E-912, E-930, E-937 and E-943.

E-912 Transfer Personnel from Admin to Diversity — Page WILDLIFE-92

E-930 Transfer Operations from Admin to Diversity — Page WILDLIFE-93

E-937 Transfer Replace Equipment from Admin to Diversity — Page
WILDLIFE-93

E-943 Transfer New Equipment from Admin to Diversity — Page WILDLIFE-94

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL
COMMITTEES TO APPROVE DECISION UNITS E-912, E-930, E-937 AND
E-943 IN B/A 101-4466 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. E. KING:

The second major item in this account concerns the use of the habitat conservation fees in lieu of General Fund revenue. The Governor recommends reducing General Fund expenditures in this account by approximately \$309,000 over the biennium. He is recommending that those funds be replaced with habitat conservation fees collected pursuant to *Nevada Revised Statutes* (NRS) 502.242. The Agency has indicated that this will reduce their ability to gather information on species and habitats needed for implementation

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of the State's Wildlife Action Plan (WAP). They indicate that it will shift their focus from game to nongame and it will reduce time spent on implementing conservation actions and assessing the population status of species of concern as identified in WAP.

The Agency testified, during their budget hearing on February 15, 2011, that they are not at the point yet where federal funds would be lost for the lack of General Funds. This fund source switch will not jeopardize federal funds for the Agency. It was also asked whether this fund source switch would result in the listing of any species as endangered. The Agency indicated in a written response that the listing process is complex, and they cannot say that what is proposed here would result in a listing. However, because they will not be gathering as much data about species of concern as they have in the past, it is going to be more difficult for the State to defend against actions that might lead to listing of species.

Does the Subcommittee wish to approve the Governor's recommendation?

ASSEMBLYWOMAN CARLTON:

In the meetings of this Subcommittee, we have had a number of discussions about the sage grouse and the listing process. I have learned a great deal about this subject from discussions with Assemblyman Bobzien. I am concerned that the shifting of this could cause us problems in the future if we do not have the data to make our case. I am aware that there is another issue concerning butterflies on Mt. Charleston.

Are these new conservation fees or are they fees that would be shifted over?

MR. E. KING:

Those fees come in as people buy their hunting licenses. There is a dedicated amount and a balance of those fees.

ASSEMBLYWOMAN CARLTON:

I know that several pieces of legislation have been proposed that will be dealing with new conservation fees. If passed, could those fees also be used towards this purpose?

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MR. E. KING:

I have not seen those bills. I cannot answer that question.

ASSEMBLYWOMAN CARLTON:

If Assemblyman Bobzien has any input on this issue, I would trust his judgment. I am concerned that we are doing too much cost-shifting on these fees and we are going to expect that money to go much further than it actually will.

KEN MAYER (Acting Director, Department of Wildlife):

In a hearing yesterday, we talked about potentially raising the fee. We are neutral on that issue. Those dollars would come in to the habitat conservation fee collection.

We are going to have to shift our Diversity Division staff away from doing the standard species survey work for brush rabbits and sage thrashers and those species that seem to be in the focus of some of the listing issues. They will be moved to performing habitat work. We have a need to continue to do the habitat work, but we would not have the revenue to continue the extensive surveys that we have tried to do. For example, we were doing pika surveys and found them in places where no one knew they existed which boded well for keeping the species off the list.

We have money included in this fee, to work on the habitat side of things. We just cannot use those dollars, at this point, to do the survey work.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION TO SHIFT THE DIVERSITY DIVISION'S FOCUS TO HABITAT CONSERVATION PROJECTS; TO REDUCE GENERAL FUNDS BY \$309,267 FOR THE 2011-2013 BIENNIUM IN B/A 101-4466 AND TO REPLACE THESE FUNDS WITH THE SAME AMOUNT OF HABITAT CONSERVATION FEE REVENUES COLLECTED PURSUANT TO NRS 502.242.

SENATOR PARKS SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

The third major item in this account concerns the revenue/expenditure authority increases which seem reasonable. There are, however, some classification issues for which Staff requests authority to make adjustments.

With the adjustments that would correctly classify the transfer authority for indirect costs, allocation charges, vehicles and information technology costs, this recommendation appears reasonable. Does the Subcommittee wish to approve adjustments to classify the transfer authority that would be used to pay the indirect costs?

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE ADJUSTMENTS TO CLASSIFY THE TRANSFER AUTHORITY THAT WOULD BE USED TO PAY THE INDIRECT COSTS IN B/A 101-4466.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

There are two additional closing items for this account, as listed on page 29 of [Exhibit C](#). The first seems reasonable. The second concerns the sagebrush ecosystem restoration program which was just discussed.

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There are several technical adjustments associated with this account. Staff requests authority to make adjustments for work program revisions that may be approved at the IFC meeting on April 18, 2011. In this account there is a climate change amendment to the State WAP that has been requested for consideration.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS THAT MAY BE NECESSARY DUE TO CHANGES IN STATEWIDE ASSESSMENTS AND CHANGES TO THE GOVERNOR'S RECOMMENDATIONS REGARDING SALARIES, BENEFITS, LONGEVITY AND MERIT REDUCTIONS IN B/A 101-4466.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. E. KING:

Page 30 of [Exhibit C](#) contains a description of the last account in NDOW, the Habitat Division, B/A 101-4467.

WILDLIFE – Habitat — Budget Page WILDLIFE-96 (Volume III)
Budget Account 101-4467

The two major items in this account are the reorganization and the revenue/expenditure authority. This involves decision units E-911, E-925, E-933, E-939 and E-953.

E-911 Trans Personnel from Admin to Habitat — Page WILDIFE-99

E-925 Transfer Operations from Admin to Habitat — Page WILDLIFE-100

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E-933 Transfer Replace Equipment from Admin to Habitat — Page
WILDLIFE-100

E-939 Transfer New Equipment from Admin to Habitat — Page WILDLIFE-101

E-953 Trans Misc Fees frm Wildlife Fund to Habitat — Page WILDLIFE-101

I will ask for approval of decision units E-911, E-925, E-933, E-939 and E-953, given that the Subcommittee has already approved the reorganization of the Department.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-911, E-925, E-933, E-939 AND E-953 IN B/A 101-4467 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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The second major item in this account concerns the revenue/expenditure authority increase. Again, we have some classification issues with this item. With the adjustments that would correctly classify the transfer authority for indirect cost allocation charges, the recommendation seems reasonable. Does the Subcommittee wish to approve adjustments to correctly classify the transfer authority that would be used to pay indirect costs?

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE ADJUSTMENTS TO CORRECTLY CLASSIFY THE TRANSFER AUTHORITY THAT WOULD BE USED TO PAY INDIRECT COSTS IN B/A 101-4467.

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ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. E. KING:

There are three other closing items for this account. The first two, as listed on page 31 of [Exhibit C](#), appear reasonable to Staff. They involve decision units E-505, E-515, E-531, E-533, E-539, E-540 and E-961.

E-505 Adjustments to Transfers in E-953 — Page WILDLIFE-97

E-515 Adjustments to Transfers in E-925 — Page WILDLIFE-97

E-531 Adjustments to Transfers in E-961 — Page WILDLIFE-97

E-533 Adjustments to Transfers in E-933 — Page WILDLIFE-98

E-539 Adjustments to Transfers in E-939 — Page WILDLIFE-98

E-540 Adjustments to Transfers in E-953 — Page WILDLIFE-99

The third item was discussed on the closing document for the Administration account. It concerns decision unit E-961.

E-961 Trans Sage Eco Restor Coord from Admin to Habitat — Page
WILDLIFE-102

I would need a motion to approve those three items.

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ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-505, E-515, E-531, E-533, E-539, E-540 AND E-961 IN B/A 101-4467 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. E. KING:

Staff would seek authority to make technical adjustments that may be necessary due to changes in statewide assessments and changes to the Governor's recommendation regarding salaries, benefits, longevity and merit reductions for all of the accounts within NDOW.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS THAT MAY BE NECESSARY DUE TO CHANGES IN STATEWIDE ASSESSMENTS AND CHANGES TO THE GOVERNOR'S RECOMMENDATIONS REGARDING SALARIES, BENEFITS, LONGEVITY AND MERIT REDUCTIONS.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RHOADS:

We will now hear budget closing reports from DCNR.

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

I will discuss five budget accounts located within DCNR.

The first is the DCNR-Administration account, B/A 101-4150 which is described on page 35 of [Exhibit C](#).

INFRASTRUCTURE

CONSERVATION AND NATURAL RESOURCES

DCNR – Administration — Budget Page DCNR-1 (Volume III)
Budget Account 101-4150

The major issue in this account concerns budget reductions. Five reductions are recommended by the Governor that would provide combined General Fund savings of approximately \$140,000 in each year of the biennium.

In decision unit E-600, the Governor recommends discontinuing the Natural Resource Advisory Board.

E-600 Budget Reductions — Page DCNR-4

This would only represent \$552 in each year of the biennium. This Board serves in a purely advisory capacity. It hears reports from DCNR directors and agency administrators and then offers comments on the presentations.

Staff would like to point out that this would be mitigated through the effects of S.B. 446 which would allow the director of DCNR to receive the same advisory input currently offered by the Board. There has been testimony during the budget hearings from Board members who agreed with this recommendation.

Based on the information provided by DCNR, this recommendation appears reasonable.

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In decision unit E-601, the Governor recommends eliminating the membership for the Western States Water Council.

E-601 Budget Reductions — Page DCNR-4

This would result in reductions of \$16,222 in each year. The Nevada Division of Environmental Protection (DEP) is also a member of this Council, and they would represent the entire department. Based on that, this information seems reasonable.

Decision unit E-690 would eliminate DCNR's public information officer.

E-690 Budget Reductions — Page DCNR-6

The Agency indicated that these duties could be met through the coordination of public outreach activities among the Department's Director, Deputy Director, the public information officer in DEP, the administrators in each division and staff in the Department's other agencies.

Decision unit E-692 eliminates the administrative assistant II position.

E-692 Budget Reductions — Page DCNR-6

The Agency indicated that the other positions could absorb these duties. This position, as well as the public information officer position, is currently vacant, so there would be no layoffs associated with these units.

For the Subcommittee's information, there is a Base Budget unit recommending the transfer of \$100,000 from DEP into this account. This money will offset General Fund allocations. The Division of Environmental Protection received a \$2 million federal grant from the U.S. Department of Energy that was associated with the Nevada National Security Site. That money comes into DEP and is divided among a number of other DCNR accounts, including the Administration budget.

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Does the Subcommittee wish to approve the budget reductions for the DCNR Administration account as recommended by the Governor?

ASSEMBLYMAN GOICOECHEA:

We have a number of these budgets, particularly in moving forward, that are contingent on the passage of S.B. 446.

SENATE BILL 446: Revises provisions governing the composition of the State Department of Conservation and Natural Resources. (BDR 18-1209)

I realize that when we are talking about \$500, this will not have a large impact, but as we get further into the budgets, I can see S.B. 446 playing a major part. Is the contingency of this passage something that we need to consider in these motions?

MR. FERGUSON:

If S.B. 446 does not pass, it would have an effect. Some pieces of that bill would need to be passed to incorporate these things. For this budget, the Natural Resource Advisory Board is the only component that will be affected, but, as we will see shortly, there are some more significant issues that would need to be addressed one way or another.

ASSEMBLYMAN GOICOECHEA:

I wanted that to be reflected on the record. We should have a plan for what pieces of that bill we need to pass to facilitate these budget changes.

MR. FERGUSON:

On page 36 of Exhibit C, several other closing items are listed. Decision unit E-230 makes some changes to rent costs in the Richard H. Bryan Building, where DCNR is located.

E-230 Reduce Duplication of Effort — Page DCNR-3

A number of reorganization plans are being discussed, one of which would bring the State Historic Preservation Office into DCNR. There will be a shuffling of office space in that building, and this decision unit makes adjustments for that.

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Decision unit E-250 would provide General Fund allowances of \$1,027 in each year of the biennium to allow the Director to attend additional meetings.

E-250 Economic Working Environment — Page DCNR-3

Decision unit E-710 makes recommendations for replacement equipment.
E-710 Equipment Replacement — Page DCNR-7

Does the Subcommittee wish to approve the DCNR Administration budget as recommended by the Governor?

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-230, E-250 AND E-710 IN B/A 101-4150 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

ASSEMBLYMAN HAMBRICK:

I have a question for Staff. I do not believe that we acted on the recommendation from page 35 of [Exhibit C](#).

MR. FERGUSON:

I would ask for a motion on the entire budget as recommended by the Governor. If you would like to clarify, we could go back and make a more specific motion on the recommendation from page 35 of [Exhibit C](#).

SENATOR PARKS:

We might consider making a motion subject to the approval of S.B. 446.

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MR. FERGUSON:
It would not hurt to include that contingency.

CHAIR RHOADS:
It is so amended.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE BUDGET REDUCTIONS FOR THE DCNR ADMINISTRATION ACCOUNT AS RECOMMENDED BY THE GOVERNOR, CONTINGENT UPON THE PASSAGE OF S.B. 446.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:
The next account is for the Heil Wild Horse Bequest, B/A 607-4156.

DCNR – Heil Wild Horse Bequest — Budget Page DCNR-9 (Volume III)
Budget Account 607-4156

There are no revenues or expenditures associated with this budget. This account is due to sunset during the current fiscal year. There were remnant costs that were generated through the budget system, and these adjustments eliminate those costs. This budget would cease to exist.

SENATOR LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE CLOSURE OF THE HEIL WILD HORSE BEQUEST ACCOUNT, 607-4156, AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

I would like to move on to page 40 of [Exhibit C](#). This page describes the budget issues for the Water Resources account, B/A 101-4171.

DCNR – Water Resources — Budget Page DCNR-67 (Volume III)
Budget Account 101-4171

There are several major issues with this account. The first is described on page 41 of [Exhibit C](#). It concerns the elimination of 5.5 full-time equivalent (FTE) positions. This would provide General Fund savings of about \$675,000 over the biennium. There is a table on that page that lists each of those positions and gives details about where they are located and how much General Fund money is used to support each one.

In 2005, the Legislature approved the addition of 11 new positions in this account. That was done in an effort to reduce the backlogs of water right applications and reports of conveyance, and to aid in conducting field investigations.

Since that time, there have been some reductions. In the Seventy-fifth Session, in 2009, 4.4 FTE positions were eliminated. In the Twenty-sixth Special Session, three more positions were eliminated. The net result is that, through budget reductions from the 2009 Legislative Session and the Twenty-sixth Special Session, and through the loss of grant funding, the Division has eliminated 9.4 positions since the end of fiscal year (FY) 2008-2009.

The current recommendation would eliminate another 5.5 positions. None of these recommended eliminations would result in layoffs.

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During the budget hearing, the Agency indicated that this would impact their ability to reduce the backlogs of water right applications. They indicated that they had made significant inroads towards reducing those from backlogs from 3,050 in 2005 to 1,682 in January of 2011. The Agency indicated that, while these reductions would be difficult to absorb, they could still perform their day-to-day functions. It would impact their ability to perform some of their field work as well.

I would like to point out that the deputy state engineer position in Las Vegas, which is slated for elimination, is a 0.5 FTE position. It would continue to operate as a full-time position within the Las Vegas Basin Water District.

It appears to Staff that, while this recommendation would limit the Agency's ability to address backlogs, it would allow the Agency to adequately perform its day-to-day operations. Does the Subcommittee wish to approve the elimination of 5.5 positions from the Water Resources budget as recommended by the Governor?

CHAIR RHOADS:

I would like to hear from the State Water Engineer about this issue before we make a motion.

JASON KING, P.E. (State Engineer, Division of Water Resources):

I agree with Mr. Ferguson's characterization of the situation. In previous testimony, I thanked many of the Legislators for providing us with that additional staff in 2005. With that help, we were able to make a significant dent in our backlog of applications. We were able to process more reports of conveyance and we were able to get out in the field to conduct miscellaneous field work.

We will now be in the red, in terms of staffing, in relation to that 2005 level. While I am optimistic that we will be able to keep up with our day-to-day duties, the resources with which we have been able to reduce our backlog will no longer be available. We are hoping that we will be able to keep the backlog flat, but we will not be able to attack it the way we have been.

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SENATOR LESLIE:

What are the real consequences of this backlog? What is the impact on the people seeking this service?

MR. J. KING:

We never get ahead of the curve. The primary focus of our office is to approve or deny applications for water rights. When we do not have the staff to do this, we are always playing catch-up.

SENATOR LESLIE:

What types of projects are delayed as a result of this backlog? Are these people trying to purchase and develop land?

MR. J. KING:

That is correct. In many instances, they must have a water right in order to move forward on a project. In some cases, it may involve someone trying to irrigate an additional ten acres on their property. In other cases, it may involve a developer who needs to have a water right in hand in order to develop a commercial property.

SENATOR LESLIE:

Do you address them in the order in which they were received?

MR. J. KING:

We do not. Of the applications in the backlog, many of them are for new appropriations. Most of them are for changes in existing rights. We do not have to address them in the order in which they were received. We make headway in a basin where the backlog is particularly bad. When we hit a roadblock we may move to another basin and try to make some headway in that backlog. It depends on the events that are occurring in a particular place at a particular time.

SENATOR LESLIE:

How much have people complained about delays in their paperwork?

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MR. J. KING:

It depends on the magnitude of the application. Some people are understanding of our situation. Others have major financial commitments which are being impeded by the delay of a water right, and they are more vocal about the inconvenience of the delay.

SENATOR LESLIE:

I am frustrated with this issue because we worked hard and went through a great deal of debate to raise fees. It is disconcerting to see us sliding back. The backlog will continue to grow and it seems that we did not accomplish anything of substance in previous sessions.

CHAIR RHOADS:

I will now entertain a motion on the elimination of the 5.5 positions.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE ELIMINATION OF 5.5 FTE POSITIONS FROM THE DIVISION OF WATER RESOURCES BUDGET, B/A 101-4171, AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

ASSEMBLYMAN BOBZIEN:

I concur with Senator Leslie's comments. We went through an uphill battle last session to raise the fees in order to address the capacity issue. We are erasing that progress and I am uncomfortable with it.

ASSEMBLYMAN GOICOECHEA:

I am certain that none of us are happy about seeing these kinds of cuts. It is simply a reality of the times we are in. I would hope that, if there should be economic recovery, this would be one of the first agencies to receive attention. I deal with water allocation issues as much as anyone in the State and I understand the concerns and the problems associated with not having a timely application process. I would assume that we are seeing some decline in demand because of the diminishing pace of development. I hope that we can see this through.

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ASSEMBLYMAN BOBZIEN:

I would ask my colleague from Eureka if this is an issue that should be placed aside for further consideration.

ASSEMBLYMAN GOICOECHEA:

For the time being, I second the motion that we approve the Governor's recommendations.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. FERGUSON:

The next item concerns a transfer of three positions from the Water Resources account to a non-Executive account. This is described in decision units E-696, E-697 and E-698.

E-696 Budget Reductions — Page DCNR-74

E-697 Budget Reductions — Page DCNR-75

E-698 Budget Reductions — Page DCNR-75

This would provide General Fund savings of \$289,000 over the biennium. These three positions would continue to exist. They would be transferred to the Las Vegas Basin Water District account which is a current account but is not located in the *Executive Budget*.

This account is funded with water assessment fees and drilling permit fees. Those three positions would be paid for by the fees. They would move from classified to nonclassified employees. They would work only in the basins in which they are assigned and only in the basins that provide the fees that fund their positions. While they would be a part of the Las Vegas Basin Water District, they could do work outside of that area in other basins. The funding

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would need to be provided to the Las Vegas Basin Water District by the areas served in support of the work.

The State statutes allow this type of transfer to occur. There are already other State positions in these non-Executive water basin accounts. This is not setting a new precedent. The Agency has indicated that they would envision this as being a permanent location for these positions. Based on the information that has been provided by the Agency, this recommendation appears reasonable to Staff.

ASSEMBLYMAN GOICOECHEA:

So, in these cuts to the Division of Water Resources, there will be no layoffs?

MR. FERGUSON:

That is correct.

ASSEMBLYMAN GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-696, E-697 AND E-698 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

There are several other closing items for this account listed on page 43 of [Exhibit C](#). Decision unit E-230 makes rent adjustments based on the available space in the Richard H. Bryan building.

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Decision unit E-250 provides \$8,291 of General Fund revenue in FY 2011-2012 for out-of-state and in-state travel for the State Water Engineer.

E-250 Economic Working Environment — Page DCNR-70

Decision unit E-710 provides \$25,701 of General Fund revenue for replacement equipment.

E-710 Equipment Replacement — Page DCNR-75

I would like to point out that the U.S. Department of Energy grant that will be received by DEP will move money into this account to fund three positions. All of these recommendations appear reasonable to Staff.

Does the Subcommittee wish to approve the remaining items as recommended by the Governor?

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION TO CHANGE THE FUNDING SOURCE FOR 3.0 FTE POSITIONS FROM GENERAL FUNDS TO GRANT FUNDS WITHIN THE BASE BUDGET; AND TO APPROVE DECISION UNITS E-230, E-250 AND E-710 IN B/A 101-4171 AS RECOMMENDED BY THE GOVERNOR; AND TO GRANT AUTHORITY TO STAFF TO MAKE ANY NECESSARY ADJUSTMENTS TO THIS ACCOUNT BASED ON THE CLOSING ACTIONS IN THE OTHER RELATED ACCOUNTS.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

I will now discuss the account for State Lands, B/A 101-4173.

DCNR – State Lands — Budget Page DCNR-79 (Volume III)
Budget Account 101-4173

The only major item in this account concerns the reclassification of a management analyst IV position to deputy administrator through decision unit E-805.

E-805 Classified Position Reclassifications — Page DCNR-85

Currently, State law authorizes the State Lands Division to have a deputy administrator. It currently does not have a position classified as such. The management analyst IV position has been providing those duties.

The issue arises because this position supervises someone of the same pay grade and someone who is one pay grade below. In the past, the Agency has been able to get around this by a special salary adjustment, something that has been referred to as "+ 5%." In the 2009 Session, however, those types of adjustments were eliminated.

The Agency has testified that, essentially, this position functions as a deputy administrator without the official title.

Staff would like to note that this recommendation would reclassify this position from a grade 39, step 10 to a grade 42, step 9. This would provide a pay increase of 9.6 percent. On page 45 of [Exhibit C](#), Staff has outlined three options. The first would be to approve the Governor's recommendation as it appears in the *Executive Budget* which would require \$8,536 in FY 2011-2012 and \$8,534 in FY 2012-2013. This would reclassify the position from a management analyst IV to a deputy administrator at grade 42, step 9.

The second option would allow for a 5 percent pay increase which is similar to what this position has had in the past. This measure would reclassify this position as a deputy administrator and would bring it up to a grade 42, but as a

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Step 8 rather than a Step 9. This would provide General Fund savings of approximately \$4,300 in each year over the biennium.

The third option would be not to approve the Governor's recommendation to reclassify the position.

ASSEMBLYWOMAN CARLTON:

We discuss many different budgets and we hear about many terrible cuts. In several places we have seen people ask for positions and we have had to say "no." I understand, however, that there are special circumstances around this particular position. In the interest of trying to give the Agency what they need to address a problem, I think the best compromise would be to go ahead with the second option, and reclassify with a 5 percent pay increase. Personally, I would rather approve the third option. I do not think that we should be giving pay raises at all, but I understand that there are extenuating circumstances in this case. I would be most comfortable with the second option.

ASSEMBLYWOMAN CARLTON MOVED TO RECOMMEND TO THE FULL COMMITTEES TO RECLASSIFY THE EXISTING MANAGEMENT ANALYST IV POSITION TO A DEPUTY ADMINISTRATOR IN B/A 101-4173, WHILE PROVIDING A PAY INCREASE OF APPROXIMATELY 5 PERCENT.

SENATOR LESLIE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

There are several other closing items associated with this account. The list of those begins at the bottom of page 45 of [Exhibit C](#). Decision units E-910 and E-500 recommend the transfer of a State land agent III from NDOW to the Division of State Lands.

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E-500 Adjustments to Transfers — Page DCNR-82

E-910 Trans from NDOW BA 4661 to State Lands BA 4173 — Page DCNR-85

There would be no change in funding. There was some concern on this issue initially. However, the two agencies have met and have decided to enter into a formal agreement to ensure that the position would only work in wildlife areas and that the transfer would not jeopardize any federal funding. Based on that information, this item appears reasonable to Staff.

Decision unit E-230 outlines rent reductions based on movement within the Richard H. Bryan Building.

E-230 Reduce Duplication of Effort — Page DCNR-82

Decision unit E-351 provides \$8,194 in each year of the biennium for additional travel and training required to support the Tahoe Bond Act Program, the Tahoe Environmental Improvement Project and the Conservation Bond Program.

E-351 Environmental Policies and Programs — Page DCNR-82

This item appears reasonable to Staff.

Decision unit E-710 provides \$9,118 in FY 2011-2012 and \$23,118 in FY 2012-2013 for replacement equipment.

E-710 Equipment Replacement — Page DCNR-84

The General Fund would provide \$6,964 of this total in the first year and \$18,964 in the second year.

This budget account includes a transfer from DEP of some of the U.S. Department of Energy grant funds.

All of these items appear reasonable to Staff. Does the Subcommittee wish to approve the remaining other items as recommended by the Governor?

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SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-230, E-351, E-500, E-710 AND E-900 IN B/A 101-4173 AS RECOMMENDED BY THE GOVERNOR; AND TO APPROVE THE TRANSFER OF \$105,965 IN FY 2011-2012 AND \$108,619 IN FY 2012-2013 FROM DEP TO THE DIVISION OF STATE LANDS IN THE BASE BUDGET IN EACH YEAR OF THE 2011-2013 BIENNIUM; AND TO GRANT STAFF AUTHORITY TO MAKE ANY NECESSARY ADJUSTMENTS TO THIS ACCOUNT BASED ON THE CLOSING ACTIONS IN THE OTHER RELATED ACCOUNTS.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. FERGUSON:

The next budget account is for the Division of Conservation Districts, B/A 101-4151.

DCNR – Division of Conservation Districts — Budget Page DCNR-90 (Volume III)
Budget Account 101-4151

The main issue in this account concerns the Governor's recommendation to eliminate the Division of Conservation Districts and the State Conservation Commission. They go hand in hand. This would provide a General Fund savings of \$317,940 in FY 2011-2012 and \$321,098 in FY 2012-2013.

The Commission's responsibilities and the Division's responsibilities are over the 28 existing conservation districts. They ensure that each district meets at least three times a year. The conservation districts must hold their meetings in accordance with the Open Meeting Law. They track the agendas and the minutes of those district meetings.

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The Agency has indicated that the local district attorneys in each of the conservation districts could provide legal services to the conservation districts in terms of meeting the requirements of the Open Meeting Law.

It would also eliminate the grants that are given to the 28 conservation districts. Those were initially for \$5,000. They were reduced to \$4,200 during the Seventy-fifth Session. They were further reduced to \$4,000 during the Twenty-sixth Special Session. They would be eliminated entirely through this item. The conservation districts had used this money to fund operating costs and to leverage other grant funds.

This item would also eliminate the funding that was provided to the districts for workers' compensation costs, liability insurance, vehicle insurance and other similar items.

During the initial hearing for this budget, there was some confusion about whether this would eliminate the conservation districts themselves. Staff has determined that it would not. The 28 conservation districts would continue to exist and would continue to function as they have in the past. They could continue to apply for grant funding from a variety of local, State and federal sources. It should be noted that they would not have any coordination or oversight from the State and they would not receive any funding from the State. This measure is provided for in S.B. 446 which eliminates the Division of Conservation Districts as well as the Conservation Commission. That bill would also transfer authority for oversight of the conservation districts to the existing State Environmental Commission.

At the bottom of page 48 in [Exhibit C](#), Staff has listed some options for consideration. The first would be to approve the Governor's recommendation. This would mean the elimination of the Division of Conservation Districts and the State Conservation Commission, representing a loss of 2.51 FTE positions, the \$4,200 grant and all other assistance that is currently provided to the districts.

The second option would allow the Subcommittee to approve providing some monetary assistance from the State to the conservation districts. The

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Subcommittee could approve the continuation of some annual grants at a reduced level. At the top of page 49 in [Exhibit C](#), it is indicated that if, for example, a \$2,000 grant were provided to the 28 conservation districts, this would mean a General Fund cost of \$56,000 in each year of the biennium.

It is important to note that this option would require the use of grants. There would be no State oversight. The money could be administered through the DCNR Director's office. The conservation districts could utilize those funds however they see fit, whether to leverage funds, pay insurance or cover operating costs.

CHAIR RHOADS:

I have asked Pam Wilcox, the retired administrator of the program, to testify today on a potential bare-bones budget plan. I would like to get a comment from her regarding these two proposals.

PAM WILCOX (Retired Administrator, Division of State Lands and Division of Conservation Districts, Department of Conservation and Natural Resources):

I was the administrator of this program for 30 years. Before that I was an elected conservation district supervisor for Washoe County.

You are being told that there will be no changes to individual conservation districts. This would not be true from my experience. Many of the smaller districts would have a difficult time existing without State support. The option of giving the districts \$2,000 each would help, but, unless there is the Division and the Commission to assist the laymen in these districts, many of whom have no staff at all, it is difficult to see how they could continue to exist.

The State Conservation Commission adopted a budget with a 43 percent cut when they found out that the Governor had budgeted nothing for them. The Commission's budget has been presented to you, and it stands at about \$230,000 a year.

The Division and the Commission would be eliminated by [S.B. 446](#). If the Subcommittee has an appetite to continue this 74 year-old program of support

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to unpaid local conservation supervisors, we would be happy to work with you to determine whether that Commission budget could be further reduced. The important thing is that the agencies continue to exist and that they have a minimal budget so that the districts continue to exist. This way, when the economy turns around in the future, they can rebuild this program that has done a significant amount of good for the State over the years.

ASSEMBLYMAN GOICOECHEA:

Does your bare-bones budget include the approximate \$880 dollars a year it costs to maintain liability vehicle insurance and workers' compensation? I believe that this is probably the biggest hit that would be taken by the 28 small conservation districts. They would lose the ability to pay for it and maintain it. I am not sure, even if they were a stand-alone agency, how much exposure the State would be subjected to through their operations. Is this an issue if we are not carrying that liability insurance and that workers' compensation coverage?

MS. WILCOX:

I share that concern. These district supervisors have been very generous in donating their time and efforts. When you are asking them to jeopardize their family and their family's assets by not covering them with liability insurance, however, it becomes too much.

If we are not able to cover liability insurance for the districts, many of the district supervisors will feel that they must quit.

ASSEMBLYMAN HAMBRICK:

Would the effects of S.B. 446 negate the actions of this Subcommittee, regardless of what they might be?

MR. FERGUSON:

That bill does make these changes to the budget. If the Subcommittee did not approve the budget in this form, changes to S.B. 446 would need to be addressed. If there is a motion to approve the Governor's recommendation in this case, it would also be contingent upon the passage of S.B. 446.

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ASSEMBLYMAN HAMBRICK:

I was more concerned about the recommendation where some financial assistance would be provided. Even if we were to approve that minimal assistance, would the effects of S.B. 446 negate that action?

CHAIR RHOADS:

We could amend S.B. 446.

MR. FERGUSON:

If the Subcommittee wished to provide only the grant funding, I do not believe that S.B. 446 would need to be changed. That bill does not contain any funding. It simply eliminates the Division and the Commission, in addition to some other actions. It could be passed in its current form and there still could be authorization from the Legislature to provide funding in grant form. It would be passed through to the districts.

LEO M. DROZDOFF, P.E. (Director, State Department of Conservation and Natural Resources):

I would concur with what Mr. Ferguson has just said.

ASSEMBLYMAN GOICOECHEA:

We could make amendments to S.B. 446 as it comes across or as it comes out of the Senate. We are not talking about a lot of funding. If there was some small amount of funding, we might be able to talk to the Governor's office and look at potential changes to S.B. 446, either in the Senate or in the Assembly.

In another budget, we made a motion to approve the Governor's recommendation contingent upon changes to S.B. 446. We would be moving ahead while keeping an eye on the money that might be available. If we have the ability to do that, it would not take a great deal of money.

I would make a motion that we approve the Governor's recommendation and continue to keep an eye on S.B. 446, particularly as it comes over to the Assembly. If the bill is not passed, and there is some funding available, we could potentially maintain the integrity of the whole program. If the bill does not pass, the Conservation Commission would be maintained.

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ASSEMBLYMAN GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION TO ELIMINATE THE DIVISION OF CONSERVATION DISTRICTS AND THE STATE CONSERVATION COMMISSION IN B/A 101-4151, INCLUDING 2.51 FTE POSITIONS, AS WELL AS THE ANNUAL \$4,200 GRANT, AND FUNDING FOR WORKERS' COMPENSATION, LIABILITY INSURANCE AND VEHICLE INSURANCE FOR EACH DISTRICT.

SENATOR LESLIE:

I would like clarification on the amount of the total add-back that Ms. Wilcox is suggesting.

CHAIR RHOADS:

It would be around \$240,000 a year.

SENATOR LESLIE:

We are too concerned with the budget bills. There are 86 of them, and they will be decided in line with everything else. I do not think that our Subcommittee should be worried about the bills. We are the ones who need to make this decision. I do not want us to cut it, and give false expectations to the people who really care about the conservation districts. If we cut it today, there is little likelihood that money would be added back in the budget bill.

I am concerned about making this cut. I would prefer to hold this budget. Once we cut it, it will be gone. If there is any hope of finding revenue and getting support for additional revenue in the budget, then we should hold it. It represents a significant amount of add-back money.

CHAIR RHOADS:

To Staff, are we able to hold a budget until the time for recommendations from the full committees?

RICK COMBS (Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

If the Subcommittee is not ready to close a budget, they need not close it.

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SENATOR LESLIE:
I am not ready to close it.

ASSEMBLYMAN BOBZIEN:
This is a vital piece of infrastructure. Assemblywoman Carlton raised some points in another budget that there are a number of things relating to some of these accounts that are still in play. I would hate to close this without further consideration of the options. I would support holding it until later.

MS. WILCOX:
I would be delighted to work with the Subcommittee if this account were to be held open. I would agree with Senator Leslie that if it should be closed on the Governor's recommendation which is for a budget of zero, it would be a drastic step. If the Legislature is interested in keeping this program going, we would be happy to work with you to develop some viable solution.

CHAIR RHOADS:
If any of the Subcommittee members has a problem with keeping this account open, they should speak now.

Hearing no objections, we will move on.

ASSEMBLYMAN GOICOECHEA:
I withdraw my previous motion for this account.

CHAIR RHOADS:
We will move on now to the next account.

WAYNE THORLEY (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):
I will direct the Subcommittee's attention to page 38 of [Exhibit C](#) which begins a description of the State Environmental Commission budget, B/A 101-4149.

DCNR – State Environmental Commission — Budget Page DCNR-12 (Volume III)
Budget Account 101-4149

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This account was not previously been heard. There are no major closing issues in this account. There are also no enhancement decision units contained in the Governor's recommended budget. There is one maintenance item which appears reasonable to Staff.

Does the Subcommittee wish to close the State Environmental Commission account as recommended by the Governor?

ASSEMBLYMAN HOGAN MOVED TO CLOSE THE STATE ENVIRONMENTAL COMMISSION ACCOUNT, B/A 101-4149 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THORLEY:

I will now move on to an item on page 50 of [Exhibit C](#). I would like to discuss the Administration budget for DEP, B/A 101-3173.

DCNR – DEP Administration — Budget Page DCNR-102 (Volume III)
Budget Account 101-3173

There are no major enhancement decision units in this account. However, Staff would like to note that DEP has received a \$2-million per-year federal grant from the U.S. Department of Energy. It will total \$10 million over its five-year span. The money will come into this Administration account and then will flow out to various accounts throughout DCNR and DEP where the grant-approved work will be supported.

On page 51 of [Exhibit C](#), towards the top of the page, there is a table which lists which accounts will receive portions of that grant money.

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There are several other closing issues for this account. They concern decision units E-230, E-500 and E-905.

E-230 Reduce Duplication of Effort — Page DCNR-104

E-500 Adjustments to Transfers — Page DCNR-104

E-905 Transfers from CDS BA 4151 to NDEP Admin BA 3173 — Page DCNR-106

The Governor recommends reserve reductions of \$47,193 in each year of the upcoming biennium for increased rent costs associated with shuffling of office space within the Richard H. Bryan Building. This recommendation appears reasonable to Staff. Staff requests authority to make adjustments to the office space allocation schedule based on how other budgets are closed.

CHAIR RHOADS:

Do we need to make a motion on the \$2 million grant apportionment?

MR. THORLEY:

That money is included in the Base Budget. A motion would not be necessary.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-230, E-500 AND E-905 IN B/A 101-3173 AS RECOMMENDED BY THE GOVERNOR; AND TO GRANT STAFF AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS TO THE OFFICE SPACE ALLOCATION IN THE RICHARD H. BRYAN BUILDING BASED UPON ACTIONS TAKEN BY THE 2011 LEGISLATURE REGARDING THE REORGANIZATION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY, THE ELIMINATION OF THE DIVISION OF CONSERVATION DISTRICTS AND THE TRANSFER OF THE STATE HISTORIC PRESERVATION OFFICE TO THE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES.

SENATOR PARKS SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Another closing item for this account can be found at the top of page 52 of [Exhibit C](#). This decision unit, E-710, recommends replacement equipment. The *Executive Budget* recommends \$69,177 in FY 2011-2012 and \$77,983 in FY 2012-2013 for purchases of various replacement computer hardware and software.

E-710 Equipment Replacement — Page DCNR-106

This recommendation appears reasonable to Staff.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-710 IN B/A 101-3173 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THORLEY:

The next account is for DEP Air Quality, B/A 101-3185.

DCNR – DEP Air Quality — Budget Page DCNR-108 (Volume III)
Budget Account 101-3185

Information on this budget can be found on page 53 of [Exhibit C](#).

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During the Joint Subcommittee hearing on this budget, an issue was raised concerning reserve levels. *The Executive Budget* recommends reserves of \$1.43 million in FY 2011-2012 and \$1.76 million in FY 2012-2013.

These recommended reserve levels are significantly higher than historic levels. The Agency testified that the increases were due, primarily, to the Governor's recommendation for salary-associated reductions for personnel.

The Agency has indicated that, in order to reduce the increase in reserve levels, funding for replacement and new equipment could be balanced to reserves, rather than the Air Quality Management Fund. I will discuss those adjustments further as we go into this account. As it stands, I do not believe that a motion needs to be made on this issue.

There are several other closing items associated with this account. At the most recent IFC meeting, the Committee approved a transfer of funding from this account to the Attorney General's office to fund a dedicated deputy attorney general (DAG) position for DEP. This was approved beginning in the current fiscal year, FY 2010-2011. However, IFC approved this recommendation, after the budget was submitted by the Governor, and so the budget did not include funding for this position. Staff has made the appropriate adjustments to transfer approximately \$120,000 in each year of the upcoming biennium from the Air Quality Management Fund to the Attorney General's office to fund this position. The closing sheets reflect this change. Staff would also note that the closings for the Attorney General's office will include a similar adjustment in order to accept this transfer.

Does the Subcommittee wish to approve this adjustment to fund a DAG position that would be made by Staff?

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE ADJUSTMENT TO B/A 101-3185 TO ADD TRANSFERS FROM THE AIR QUALITY MANAGEMENT FUND TO SUPPORT A NEW DAG POSITION.

SENATOR PARKS SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ATKINSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

The next closing item concerns an E-710 recommendation for replacement equipment.

E-710 Equipment Replacement — Page DCNR-111

The Governor recommends funding transfers from the Air Quality Management Fund of about \$270,000 over the biennium to purchase replacement equipment.

At the top of page 55 of Exhibit C is an E-720 recommendation for new equipment.

E-720 New Equipment — Page DCNR-112

The Governor has recommended transfers from the Air Quality Management Fund of about \$90,000 in FY 2011-2012 to fund the purchase of replacement air monitoring equipment.

Staff has made adjustments to the funding source for the new and replacement equipment. The Governor's budget proposes funding these items with money from the Air Quality Management Fund. Staff has balanced the expenditures for the new and replacement equipment to reserves, consistent with the Agency's testimony. This recommendation for the new and replacement equipment, with adjustments made by Staff, appear reasonable.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO CLOSE DEP AIR QUALITY ACCOUNT AS RECOMMENDED BY THE GOVERNOR; AND TO GRANT STAFF AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS.

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SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN HAMBRICK
VOTED NO. ASSEMBLYMAN ATKINSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THORLEY:

The next budget account is for DEP Water Pollution Control, B/A 101-3186.

DCNR – DEP Water Pollution Control — Budget Page DCNR-114 (Volume III)
Budget Account 101-3186

There are no major closing issues for this budget account.

There are several other closing items listed on page 57 of [Exhibit C](#). Staff would like to note that this is one of the accounts that will receive a portion of the \$2 million U.S. Department of Energy grant. That funding is included in the Base Budget.

The Governor recommends replacement of equipment through decision unit E-710.

E-710 Equipment Replacement — Page DCNR-117

The Governor also recommends reserve reductions of approximately \$19,000 over the upcoming biennium for replacement of computer hardware in accordance with the recommended replacement schedule. This recommendation appears reasonable to Staff.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL
COMMITTEES TO CLOSE DEP WATER POLLUTION CONTROL IN
B/A 101-3187 AS RECOMMENDED BY THE GOVERNOR.

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SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ATKINSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. THORLEY:

The next budget is B/A 101-3187, DEP Waste Management and Federal Facilities.

DCNR – DEP Waste Mgmt and Federal Facilities — Budget Page DCNR-120
(Volume III)
Budget Account 101-3187

There are no major items associated with this account.

On page 59, there are several other closing items listed. The first item is similar to an item discussed in B/A 101-3185. At the most recent IFC meeting, the Committee approved funding for a senior DAG position that would be dedicated specifically to this budget account. Funding was not included in the Governor's recommended budget because it came out before the IFC meeting. Adjustments have been made by Staff to properly reflect funding for this position which will come from the Hazardous Waste Management Fund. Adjustments have been made by Staff.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE ADJUSTMENTS TO B/A 101-3187 TO TRANSFER FUNDING FROM THE HAZARDOUS WASTE MANAGEMENT FUND TO SUPPORT THE NEW SENIOR DAG POSITION.

SENATOR PARKS:

Are there adequate resources in the Hazardous Waste Management Fund to cover these transfers?

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MR. THORLEY:

At the IFC meeting, the Agency testified that there appears to be adequate funding in the Hazardous Waste Management Fund. Review by Staff supports that assessment.

ASSEMBLYMAN HAMBRICK:

The motion is supposed to be made in relation to the Governor's recommended budget, but the position of senior DAG was submitted prior to the submission of the Governor's budget.

MR. COMBS:

Mr. Thorley, was the senior DAG position included in the *Executive Budget*?

MR. THORLEY:

It was not.

MR. COMBS:

Then the motion needs to be on something other than the Governor's recommendation. It should be made on the Governor's recommendations with the adjustment to add the funding for the senior DAG.

ASSEMBLYMAN GOICOECHEA:

I need clarification as well. That position was approved by IFC, so the fact that it is not in the Governor's recommendation is a moot point because the funds were already shifted.

MR. THORLEY:

The most recent IFC meeting was on February 3, 2011. The Governor's recommended budget came out several weeks before that meeting when this funding was approved. In the IFC meeting, the Committee approved funding for the current fiscal year beginning in FY 2010-2011 and also requested that funding for this position be included in the upcoming biennium. That is why adjustments were made by Staff to reflect what was approved by IFC in its most recent meeting.

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MR. COMBS:

When IFC approved the position, it was not approved as a one-time allocation for FY 2010-2011. It was considered to be a permanent position that would remain in the budget. The Governor's budget was submitted prior to the IFC approval of the position. We are recommending that the Subcommittee consider allowing us to add the funding for the position because, if you do not, the Agency is going to have to go through a work program process to secure funding for that position in the upcoming biennium anyway.

ASSEMBLYMAN GOICOECHEA:

This is technically not an add-back. Would it require an amendment to the Governor's budget?

MR. COMBS:

This could have been done through an amendment in the Governor's budget. It was not. Your Staff is assuming that the position is considered to be permanent. The Agency would have to submit a work program to add the position, and IFC would have to consider it again for the upcoming biennium. If you approve it now, this would eliminate that need.

ASSEMBLYMAN GOICOECHEA:

I voted for it in IFC, so I do not want that to happen.

MR. COMBS:

I would recommend, given the confusion, that the motion be restated. The motion, as I understand it, would be to approve the budget as recommended by the Governor, with the addition of the funding for the senior DAG position.

ASSEMBLYMAN HOGAN MOVED TO APPROVE THE BUDGET FOR B/A 101-3187 AS RECOMMENDED BY THE GOVERNOR, WITH ADJUSTMENTS TO TRANSFER FUNDING FROM THE HAZARDOUS WASTE MANAGEMENT FUND TO SUPPORT THE NEW SENIOR DAG POSITION.

SENATOR PARKS SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN HAMBRICK
VOTED NO. ASSEMBLYMAN ATKINSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THORLEY:

This budget account will also receive a portion of the U.S. Department of Energy grant.

The last closing issue, located at the bottom of page 59 of [Exhibit C](#), is decision unit E-710, in which the Governor is recommending a combination of federal fund dollars, dumping fees and transfers from the Hazardous Waste Management Trust Fund and the Petroleum Trust Fund totaling approximately \$46,000 over the upcoming biennium for replacement computer equipment.

E-710 Equipment Replacement — Page DCNR-124

This recommendation appears reasonable to Staff.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL
COMMITTEES TO CLOSE THE DEP WASTE MANAGEMENT AND
FEDERAL FACILITIES ACCOUNT AS RECOMMENDED BY THE
GOVERNOR, WITH TECHNICAL ADJUSTMENTS MADE BY STAFF.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED (ASSEMBLYMAN ATKINSON WAS
ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. THORLEY:

The next budget account is for B/A 101-3188, DEP Mining Regulation and Reclamation.

DCNR – DEP Mining Regulation/Reclamation — Budget Page DCNR-128
(Volume III)
Budget Account 101-3188

There are no major closing issues in this account. There are several other closing items.

There is a note on reserves built into the Governor's recommended budget. The reserves appear reasonable to Staff.

In decision unit E-710, the Governor recommends reserve reductions of about \$16,000 over the upcoming biennium for replacement computer hardware.

E-710 Equipment Replacement — Page DCNR-131

This recommendation appears reasonable to Staff.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO CLOSE THE DEP MINING REGULATION AND RECLAMATION ACCOUNT, B/A 101-3188, AS RECOMMENDED BY THE GOVERNOR; AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ATKINSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. THORLEY:

The next account is B/A 746-3189, DEP State Revolving Fund – Admin.

DCNR – DEP State Revolving Fund – Admin — Budget Page DCNR-133
(Volume III)
Budget Account 746-3189

This account was not previously heard in the Joint Subcommittee budget hearing. There are no major closing issues.

There is one other closing item on page 63 of [Exhibit C](#) which concerns decision unit E-710.

E-710 Equipment Replacement — Page DCNR-136

The Governor recommends federal grant revenue of roughly \$2,000 in FY 2011-2012 and approximately \$1,000 in FY 2012-2013 to purchase replacement computer equipment. This recommendation appears reasonable to Staff.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO CLOSE THE DEP STATE REVOLVING FUND ADMINISTRATION ACCOUNT, B/A 101-3189, AS RECOMMENDED BY THE GOVERNOR; AND TO GRANT STAFF AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ATKINSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. THORLEY:

The next account is B/A 101-3193, DEP Water Quality Planning.

DCNR – DEP Water Quality Planning — Budget Page DCNR-138 (Volume III)
Budget Account 101-3193

There are no major closing issues in this account.

There are several other closing items listed on page 65 of [Exhibit C](#). Staff would like to note that, in the Base Budget, all General Fund appropriations have been eliminated for this account.

The General Fund reduction has been offset by a transfer from the DEP Administration account. That transfer will come from the U.S. Department of Energy grant that has been mentioned previously.

The second closing item concerns decision unit E-710.

E-710 Equipment Replacement — Page DCNR-141

The Governor is recommending a combination of federal funding and reserve reductions totaling approximately \$20,000 over the biennium to purchase replacement computer hardware.

In the *Executive Budget*, some federal funding was erroneously balanced forward in reserves to future fiscal years. Staff has worked with the Agency and with the budget office to make technical adjustments so that this decision unit accurately reflects federal funding and reserve reductions needed to purchase the replacement equipment. The information in [Exhibit C](#) reflects those changes. With the noted adjustments, this recommendation appears reasonable to Staff.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL
COMMITTEES TO CLOSE THE DEP WATER QUALITY PLANNING
ACCOUNT, B/A 101-3193, AS RECOMMENDED BY THE GOVERNOR;

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AND TO GRANT STAFF AUTHORITY TO MAKE TECHNICAL
ADJUSTMENTS.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THORLEY:

The next budget account is B/A 101-3197, the DEP Safe Drinking Water
Regulatory Program.

DCNR – DEP Safe Drinking Water Regulatory Program — Budget Page
DCNR-143 (Volume III)
Budget Account 101-3197

This budget account was not previously heard in the Joint Subcommittee
budget hearing. There are no major closing issues.

There are several other closing items listed on page 67 of [Exhibit C](#). Staff would
note that the base in the *Executive Budget* recommends the removal of all
General Fund appropriations from this account. The General Fund reduction will
be offset by a transfer from the DEP Administration account. That funding will
come from the U.S. Department of Energy grant.

The second closing item concerns decision unit E-710.

E-710 Equipment Replacement — Page DCNR-146

The *Executive Budget* recommends approximately \$19,000 over the biennium
to purchase replacement computer hardware. This recommendation appears
reasonable to Staff.

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ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO CLOSE THE DEP SAFE DRINKING WATER REGULATORY PROGRAM ACCOUNT, B/A 101-3197, AS RECOMMENDED BY THE GOVERNOR; AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. THORLEY:

The last budget account for DEP is B/A 101-4155, DEP Water Planning and Capital Improvement.

DCNR – DEP Water Planning and CAP Improvement — Budget Page DCNR-148
(Volume III)

Budget Account 101-4155

This account was not previously heard during the Joint Subcommittee budget hearing. There are no major closing issues in this account.

There are several other closing items listed on page 69 of [Exhibit C](#). In decision unit E-710, the Governor is recommending reserve reductions of \$1,082 in FY 2011-2012 to purchase a replacement computer.

E-710 Equipment Replacement — Page DCNR-151

This recommendation appears reasonable to Staff.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO CLOSE THE DEP WATER PLANNING CAPITAL IMPROVEMENT ACCOUNT, B/A 101-4155, AS RECOMMENDED BY THE

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GOVERNOR; AND TO GRANT STAFF AUTHORITY TO MAKE TECHNICAL
ADJUSTMENTS.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THORLEY:

Staff requests authority to make adjustments to division and department cost allocation schedules based on closing of other budgets. We also request authority to make adjustments to salary and fringe benefits based on actions by the 2011 Legislature.

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CHAIR RHOADS:
That will be included in the previous motion.

This meeting is adjourned at 9:55 a.m.

RESPECTFULLY SUBMITTED:

Wade Beavers,
Committee Secretary

APPROVED BY:

Senator Dean A. Rhoads, Chair

DATE: _____

Assemblyman Joseph M. Hogan, Chair

DATE: _____

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	B		Attendance Roster
	C	Eric King / LCB Fiscal Division	Closing List #1