

**MINUTES OF THE
SENATE COMMITTEE ON NATURAL RESOURCES**

**Seventy-sixth Session
March 16, 2011**

The Senate Committee on Natural Resources was called to order by Chair Mark A. Manendo at 3:37 p.m. on Wednesday, March 16, 2011, in Room 2144 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Mark A. Manendo, Chair
Senator David R. Parks, Vice Chair
Senator John J. Lee
Senator Dean A. Rhoads
Senator Michael Roberson

STAFF MEMBERS PRESENT:

Michelle Van Geel, Policy Analyst
Charity Fowler, Counsel
Sandra Hudgens, Committee Secretary

OTHERS PRESENT:

Warren B. Hardy II, Ex-Senator; Hardy Consulting Group; LaPaloma Funeral Services
Ryan Bowen, LaPaloma Pet Cremation; LaPaloma Funeral Services
Margaret Flint, Nevada Humane Society
Tony Yarbrough, Nevada's People for Animal Welfare (NPPAW)
Steve Woods, A Beloved Friends Pet Crematory of Northern Nevada
Leo M. Drozdoff, P.E., Director, State Department of Conservation and Natural Resources
Jennifer Newmark, Administrator, Nevada Natural Heritage Program, State Department of Conservation and Natural Resources
Colleen Cripps, Ph.D., Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources
Jason King, P.E., State Engineer, Division of Water Resources, State Department of Conservation and Natural Resources

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James R. Lawrence, Administrator and State Land Registrar, Division of State Lands, State Department of Conservation and Natural Resources
Pete Anderson, State Forester, Division of Forestry, State Department of Conservation and Natural Resources
Dave K. Morrow, Administrator, Division of State Parks, State Department of Conservation and Natural Resources
Alan R. Coyner, Administrator, Division of Minerals, Commission on Mineral Resources
Tim Crowley, President, Nevada Mining Association
Pam Wilcox, State Conservation Commission
Eric Riemen, Carson Valley Conservation District, State Conservation Commission
Barbara Perlman-Whyman, Vice President, Nevada Association of Conservation Districts
Tom Minor
Bruce Petersen, State Conservationist, Natural Resources Conservation Service, United States Department of Agriculture

CHAIR MANENDO:

I will open the meeting on Senate Bill (S.B.) 191.

SENATE BILL 191: Revises provisions governing pet crematories. (BDR 40-979)

WARREN B. HARDY II (Ex-Senator; Hardy Consulting Group; LaPaloma Funeral Services):

Every pet cremation company in Nevada is out of compliance with *Nevada Revised Statutes* (NRS). The NRS requires a five-acre pet cemetery associated with doing pet cremation. Cremation and burial are two ways to deal with the death of a pet. There are two pet cemeteries with crematories currently in Nevada. One crematory is on Craig Road in Las Vegas, and the other one is in Fallon. Neither of those crematories is in compliance with the 5-acre requirement because their cemeteries are less than 5-acre lots. We need this bill because everyone is out of compliance. Crematories provide an affordable way for owners to deal with the death of their pets. There are 1,000 pet cremations a month in Nevada. Some disposals are done through communal cremation, which is a cost-effective way for an owner to deal with the death of a pet. It costs \$25 at my client's facility for the cremation of a pet.

If S.B. 191 is not passed, pet crematories would have to be shut down tomorrow. Ten thousand pets per month are a lot of pets to be disposed of improperly. This bill will not change the way these companies operate, and it will not have an impact on the competition. Fourteen crematories are in operation today. There will be 50 Nevadans out of work if we do not correct this. It will not cause a run of people getting into this business. No one was aware this was in the NRS. This bill brings us back to the status quo.

CHAIR MANENDO:

After the Legislative Counsel Bureau researched the NRS, they discovered crematories for humans do not have to comply with the five-acre rule. Did you say there was one pet crematorium that did comply?

RYAN BOWEN (LaPaloma Pet Cremation; LaPaloma Funeral Services):

The Lied Animal Shelter in Henderson does comply with the five-acre rule, because they operate under the guise of a shelter. Lied is the largest animal shelter in Las Vegas, and they do not cremate pets anymore; they contract with another crematory. The law requires a funeral home to have access to a cemetery. They are not required to have a crematory, but must have access to one. It does not make sense that the law would make it more difficult dealing with the disposition of a dead pet than it does on the human side.

SENATOR LEE:

The Legislative Counsel's Digest of this bill says, "This bill repeals provisions requiring a person who operates a crematory for pets to obtain a certificate of authority from the Nevada State Funeral Board" I understand that. Is there still a certificate of authority to run a crematory? Is there a licensing process in place? What kind of license do you need?

SENATOR HARDY:

A certificate of authority will still be required, as contained in NRS 452.340.

MR. BOWEN:

The certificate of authority is just required for a cemetery. To get a pet crematory license, you must obtain a business license and a county license, and there is a zoning requirement. I called the Nevada State Funeral Board when I opened LaPaloma Pet Cremation, and they said they had no jurisdiction over pet crematories.

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SENATOR LEE:

If I had a business with a swimming pool, could I tee on to the two-inch gas line, fire up a crematory in the back building and cremate animals, as long as it is zoned for that? Do I have to have authority from anybody to cremate animals?

MR. BOWEN:

Yes, you can, if the zoning is right. You have to have a business license and sales tax license. The zoning is critical.

SENATOR RHOADS:

If this law passes, can I take my dog to a crematory and spread his ashes in the backyard?

MR. BOWEN:

You can spread the ashes on private property. There are rules regarding spreading of ashes on Bureau of Land Management (BLM) land, U.S. Department of the Interior.

MARGARET FLINT (Nevada Humane Society):

The Nevada Humane Society supports this bill.

TONY YARBROUGH (Nevada's People for Animal Welfare):

I support S.B. 191.

STEVE WOODS (A Beloved Friends Pet Crematory of Northern Nevada):

I support S.B. 191.

CHAIR MANENDO:

I will close the hearing on S.B. 191.

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

Our Website address is shown on our PowerPoint presentation, ([Exhibit C](#)). We are also on Twitter. The State Department of Conservation and Natural Resources (DCNR) is divided into six divisions plus the director's office listed on page 2, [Exhibit C](#), with a list of boards and commissions to which we report.

We are experiencing budget cuts, leaving the DCNR down 40 percent from the fiscal year 2008-2009 budget amount. We had to determine if we were the best people to do the work we are doing. We made the organizational changes listed on page 3, [Exhibit C](#). We are eliminating the Advisory Board on Natural Resources and the State Conservation Commission. We are proposing to reduce the Commission for the Preservation of Wild Horses through an agency sunset and eliminating the Conservation Districts. The Governor has recommended the return to the Department of Conservation the Office of Historic Preservation, which is currently part of Cultural Affairs.

JENNIFER NEWMARK (Administrator, Nevada Natural Heritage Program, State Department of Conservation and Natural Resources):
The Nevada Natural Heritage Program, (NNHP) DCNR maintains comprehensive and scientifically objective data about the State's rare and at-risk plants and animals, [Exhibit C](#). We are non-regulatory, and we are located in Carson City. We use transfer funds and federal grants to support our operations.

The NNHP is a contributing member of NatureServe, which is an international network of heritage programs in all 50 states, Canada and some Latin American countries. We set conservation priorities for rare species by evaluating plants and animals based on their rarity using a simple scale from one to five. The number one would indicate an imperiled species, and the number five would indicate secure and widespread species. Species ranked lower than three become priorities, and they are put on a track or watch list. Our at-risk tracking list covers any species with long-term viability having been identified as a concern and includes species that federal and other Nevada agencies have identified. We have 556 species on our tracking list, and we have 186 species on our watch list, page 6, [Exhibit C](#).

The program maintains biological information including location and conditions of individual species within a dynamic Geographic Information System (GIS) driven Oracle database. This system is used by the entire network of heritage programs. Our data comes from a variety of sources, including museum specimens, university studies, field surveys and other agencies. We have over 10,000 known observations of rare species documented in our database. We serve as a database clearinghouse. We provide custom-data searches to other state and federal agencies and to private consultants or individuals. The data provided a range from a simple list of species that are known to occur within a project area to sophisticated GIS maps and shape files. The Nevada Department

of Transportation (NDOT) uses our data to help meet their mandated-regulatory obligation under the National Environmental Policy Act and the Endangered Species Act. Our database saves agencies thousands of dollars and significantly shortens their planning timeline. We work in partnership with many state and federal agencies supporting conservation planning, species management, research and education.

SENATOR RHOADS:

Are sage grouse on the watch list?

MS. NEWMARK:

They are currently on our tracking list.

SENATOR RHOADS:

How often do you update the tracking list?

MS. NEWMARK:

We update the list continually with new information whenever it is provided to our office. We let the Department of Wildlife (DOW) manage the sage-grouse information and let other agencies know that.

COLLEEN CRIPPS, Ph.D. (Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources):

The Division of Environmental Protection (DEP), DCNR, is a regulatory agency staffed with 252 people in 10 bureaus. We have offices in Carson City and Las Vegas, and we provide staff support to three bureaus and commissions: the State Environmental Commission, the Board to Review Claims and the Board for Financing Water Projects. We are 100 percent fee and grant funded. There are seven priorities with the work we do. We achieve and maintain healthy levels of air quality and minimize the risk of chemical accidents through regulatory tools such as monitoring, permitting, inspecting, enforcing and effective planning. The photos on page 9 and page 10, [Exhibit C](#), fugitive dust emission to small sand and gravel operations to large power plants, large mines or geothermal projects.

We work closely with our regulated industries to establish equitable fees, and we implement new federal regulations and programs. We implement the Clean Air Act in Nevada in lieu of United States Environmental Protection Agency (EPA) because this allows our industries to get timely permits. We can develop

expertise specific to the industries in Nevada, and we are able to be in the field to identify issues earlier for rapid response, page 14, [Exhibit C](#).

We implement a chemical accident-prevention program to prevent catastrophic releases of hazardous substances; we implement a smoke-management program to minimize the impacts of controlled burns on wild lands; and we implement an alternative fuels and mobile sources program in cooperation with the Department of Motor Vehicles (DMV) and other agencies. We monitor ambient air quality across the State to determine if we are in compliance with the EPA's National Ambient Air Quality Standards.

We are challenged with new federal requirements related to climate change, energy, mercury, ozone and particulate matter. There are 50 new federal air regulations being proposed and finalized during the next year, having an impact on the number of permits issued and industries being regulated.

We protect waters of the State from discharge of pollutants and contaminants, preserve beneficial use, maintain healthy aquatic habitat and ensure public water systems provide safe and reliable drinking water. We evaluate the chemical, physical and biological health of watersheds throughout the State. We develop standards specific to a watershed's beneficial uses to protect water quality. We develop local, regional and statewide plans to ensure water quality standards are maintained and impaired surface waters are restored. The photo on page 12 is a stream-bank restoration project on the Carson River. We provide low-cost financing for improvements to drinking water and wastewater infrastructure with the Nevada Drinking Water State Revolving Fund. The DEP has the authority to implement the Federal Water Pollution Control Act, in lieu of EPA through traditional regulatory tools. The facilities we regulate include wastewater facilities and drinking-water systems. We operate a laboratory (lab)-certification program to ensure labs performing water analyses adhere to prescribed methods and practices. There are problems with emerging contaminants and invasive species, mercury and selenium. We address perchlorate and work on improving the water quality of Lake Tahoe, page 13, [Exhibit C](#).

We are responsible for ensuring the safe management of solid and hazardous waste, page 14. We regulate facilities that generate, transport, treat, store, dispose or recycle hazardous waste and the collection and disposal of solid waste. This is done through traditional regulatory approaches and we are

implementing federal programs again in lieu of the EPA. We encourage institutions and businesses to decrease the amount of waste they generate and participate in recycling programs to conserve natural resources.

We ensure mining industry compliance with State regulatory programs that protect surface and groundwater. We ensure land disturbed by mining will be reclaimed, page 15. Through a State-only program, we regulate fluid management, closure and reclamation through permitting, monitoring, compliance and enforcement.

Under our mining reclamation program, a mine must obtain a reclamation permit to assure full natural reclamation of the site before it is allowed to disturb the land. The State currently holds \$1.6 billion in bonds that are regularly updated. The before-and-after reclamation project of the Sleeper Mine in Humboldt County is shown on page 15, [Exhibit C](#). The revegetation has not been completed on this site. The DEP has been working with the mining industry for a decade to reduce their mercury emissions. The chart on page 16 shows the success we have had. New mercury-control technology is being permitted and installed.

We provide regulatory oversight at federal facilities such as the Nevada Nuclear Security Site (NNSS), formerly the Nevada Test Site. We oversee efforts to maintain and characterize the geology, and we model potential-contaminate migration resulting from underground nuclear testing, page 17. Clean up of industrial sites at NNSS and soil characterization activities are going on there. We monitor compliance with air, water, waste- and drinking-water regulations. We have non-regulatory, low-level waste-disposal oversight and regulatory oversight over the disposal of waste that is a mixture of low-level radioactive waste and hazardous waste. We inspect all the facilities within the weapons complex nationwide that generate waste to be disposed at the NNSS. The map on page 17 shows the location of the corrective-action sites where underground tests were conducted and how they were grouped for evaluating the groundwater. Page 17 shows a photograph of the low-level and mixed-low-level waste disposal site at the NNSS known as Area 5.

We assess and clean up contaminated properties to levels appropriate for their intended land use and zoning, page 18. We investigate and ensure the cleanup of contaminated areas. The cleanup is typically voluntarily done by responsible parties, unless there is an imminent and substantial hazard or ongoing exposure

of a risk level. The DEP has the resources to conduct the cleanup and pursue cost recovery. We currently manage a number of large complex cases. The cleanups involve legacy sites with multiple responsible parties. They can involve multiple jurisdictions, and they can be complicated by bankruptcies, reorganizations and property transfers. The photograph on page 18 shows a perchloroethylene plume at Maryland Square in Las Vegas. We found exposure above a risk level and we are monitoring it and remediating it; we are currently involved in cost recovery at this site. Significant legal resources are required to manage large cleanups. We recently received support from the Office of the Attorney General. We regulate underground storage tanks to prevent the release of petroleum products to the environment. We administer the petroleum cleanup fund and provide reimbursement for the cleanup cost associated with tanks that have already leaked. We administer a certification program for environmental consultants designed to ensure competent and knowledgeable individuals are providing environmental cleanup information and services to individuals and businesses.

We provide education and outreach programs listed on page 19, [Exhibit C](#). We have a Water Education Program for teachers and students. Workshops for teachers are provided. We have river workdays and snapshot monitoring days. We have a recycling program. We work with local governments to establish programs to provide assistance to the public. A recycling hotline is described on page 19. There is also Website information.

SENATOR LEE:

Is the Beatty dump still being monitored?

DR. CRIPPS:

Yes, we regulate and inspect the US Ecology's Beatty Facility.

SENATOR LEE:

Is it running like it is supposed to?

DR. CRIPPS:

Yes, there are no problems.

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SENATOR PARKS:

Do you monitor at 3 a.m.? I have driven by at 2 a.m. or 3 a.m., and there seems to be a lot of activity happening then, but I have not seen activity at 9 a.m.

DR. CRIPPS:

Most of our inspections are conducted in daylight hours.

SENATOR PARKS:

Has there been clean up of the contaminants at Al Phillips the Cleaner at the Maryland Square in Las Vegas? The residents in the golf course have not heard anything.

DR. CRIPPS:

We have installed treatment systems in homes that have exceeded action levels. We continue to monitor the situation.

SENATOR PARKS:

Does that include something more than a venting system?

DR. CRIPPS:

It is a venting system.

CHAIR MANENDO:

The holes are drilled into the concrete allowing venting through the roof. I have seen it in some peoples' homes installed in closets.

DR. CRIPPS:

It pulls the vapors from underneath the slab.

CHAIR MANENDO:

Some homes had it, and other homes did not. We did not understand why some homes in the area had it and homes did not have it. Can you explain it?

MR. DROZDOFF:

It depends on the levels of contamination. All the homes were evaluated except the homes that had requested it not be done.

CHAIR MANENDO:

What were the levels of contamination in the homes that required the venting systems?

MR. DROZDOFF:

I could find out for you.

CHAIR MANENDO:

Besides the ventilation, what else can be done?

MR. DROZDOFF:

The biggest thing that can be done is to make a dent in the source. There are complications with multiple owners and bankruptcies, making it difficult to clean up the site.

CHAIR MANENDO:

Is there still a leak?

MR. DROZDOFF:

There is no more active contribution to the problem. We just need to clean up.

CHAIR MANENDO:

Who is going to bear the responsibility? Is the new owner going to bear the responsibility of cleaning it up? If the new owner built a Taco Bell, would Taco Bell be responsible? What is our next step? We have not heard if there will be a next step.

DR. CRIPPS:

We are involved in legal action with the past and current property owners.

MR. DROZDOFF:

We are pursuing remedies with the Account for Management of Hazardous Waste and also pursuing cost recovery. We are negotiating with the owners to pay instead of going through expensive cost recovery, but we are prepared to take legal action.

CHAIR MANENDO:

When will that be?

DR. CRIPPS:

We received the injunction on December 27, 2010. We are doing a feasibility study on remedy selection and cleanup of the shallow ground water. That will begin in 2012. We are monitoring quarterly. The plume is stable, and there is no increase in concentration at that site.

CHAIR MANENDO:

Senator Parks and I would like you to give us data, and talk with us so we can report back to our constituents. This is a major issue in that area. If I called the number on recycling, what kind of information will I get?

DR. CRIPPS:

They will tell you where to take your materials to be recycled and what kinds of things are recyclable. They can answer questions about electronic waste and what to do with it.

JASON KING, P.E. (State Engineer, Division of Water Resources, State Department of Conservation and Natural Resources):

The mission statement for the Division of Water Resources (DWR), DCNR, is to conserve, protect, manage and enhance the state's water resources for Nevada's citizens through the appropriation and reallocation of public waters, [Exhibit C](#). We require water-right permits for all beneficial uses of water except domestic use. A domestic well can serve one single-family dwelling. We issue curtailment orders limiting the amount of water appropriations in basins. We perform field work conducting crop and pumping inventories, taking water level measurements, measuring streams and springs, and measuring precipitation throughout the State.

We participate in hydrological studies to understand how much water is available to appropriate in 256 hydrographic basins. We now have the ability to assess fines and penalties for violations of our water laws. We are not looking to fine; we are looking for compliance, and it has paid dividends.

We are also responsible for dam safety, page 21. We review dam designs for structural stability. We inspect all dams during and after construction. The frequency of our dam inspections depends on the hazard-classification of the dam. All high-hazard dams are inspected once a year, all significant-hazard dams are inspected every three years, and all low-hazard dams are inspected every five years. If a high-hazard dam fails, there could be loss of life; if a

significant-hazard dam fails, there would be no loss of life but there would be significant economic damage; and if a low-hazard dam fails, there would be no loss of life and only a minimal amount of damage. Our dam safety staff responds to emergencies during earthquakes and floods.

We also have water planning and flood-plain management. Our water planning section is responsible for reviewing water conservation plans submitted by the local governments in the State. That section oversees the fines and penalties resulting from violations of the water law. Our flood-plain management group coordinates flood-mitigation grant money for flood-mitigation planning and projects. They manage the Community Assistance Program for each city and county participating in the Federal Emergency Management Agency's (FEMA) National Flood Insurance Program, page 22. We ensure compliance with the FEMA National Flood Insurance Program by the local governments.

Our office is responsible for the licensing and oversight of well drillers throughout the State, page 23. Every well driller must be licensed. All abandoned wells must be plugged and abandoned by a licensed well driller. We have a required continuing-education program for well drillers. We have field investigations to verify construction standards for well-drilling procedures. We are custodians for all the well logs in the State. They are reviewed for completeness, scanned and put online. We have over 90,000 well logs online for people to see. We update our well-drilling regulations every five years.

Page 24 shows data on water information that is being put onto the Website from paper data stored since 1903. Data is being put onto the Website on water right ownership, dams, well logs, scanned images of rulings, permits, hydrographs and hearing schedules, and we created dedicated Webpages on contentious hearings. We are trying to put as much information as we can onto the Website. Our operations are becoming more transparent.

Interbasin transfers are contentious issues. The Southern Nevada Water Authority pipeline project is the poster child for interbasin transfers. These transfers have been around since 1873. We have issued permits for interbasin transfers for approximately 25 projects during the life of the state engineer's office.

Solar power renewable energy is becoming popular in southern Nevada. In northern Nevada, geothermal power plants are becoming popular.

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U.S. Senator Harry Reid is trying to save Walker Lake. There is a multimillion dollar program to lease or buy Walker River water from farmers to send to Walker Lake.

Litigation is becoming more prevalent and more appeals are going to the courts. Many of the decisions coming back from the courts are affecting the way we are doing business.

Page 26 is a bar chart of a backlog of DWR application history. In 2005, our backlog was close to 3,100. During that legislative session we were given 11 positions. Since that time we were able to improve our backlog. We have had to keep positions vacant to meet budget cuts. The backlog reduction has leveled out.

There are approximately 20 water bills this session. Some bills are substantive, and other bills clean up the language in the water laws, page 27.

The major changes in the budget are to revenue as shown on page 28. The DEP was able to get a grant from the U.S. Department of Energy for work around the NNSS, and our office was able to benefit from that grant in the amount of \$200,000 a year. We were able to move three of our General Fund staff to that funding source, which means we will not lose those positions. We are scheduled to eliminate eight and one-half General Fund positions. We will not lose people because five and a half of those positions were vacant, and three positions will move to alternative funding. We are not asking for major enhancements or vehicle replacements. We are only asking for a computer server.

CHAIR MANENDO:

Is your computer server requested in the Governor's budget?

MR. KING:

Yes, it is.

JAMES R. LAWRENCE (Administrator and State Land Registrar, Division of State Lands, State Department of Conservation and Natural Resources):
The Division of State Lands (DSL), DCNR, is located in Carson City with statewide responsibilities and 19 full-time positions. Fifty-seven percent of our

budget comes from the General Fund and the remainder comes from different sources.

Our four major program areas are the State Land Office, State Land Use Planning, Lake Tahoe program and our Question One resource and conservation program.

The State Land Office has a long history. Since statehood, Nevada has always had a land function handled by an elected surveyor general. Because of land scandals occurring over the years, the DSL was created in 1957 and housed under the DCNR. We keep land records, such as deeds, and records associated with state-owned land, except those with the NDOT, the Legislature and the university system.

Page 30, [Exhibit C](#), shows a couple of historic deeds. The one on the right is the deed for the capitol complex and the one in the middle is the 1957 deed for Washoe Lake State Park. Part of our land-management system evolved from paper records, which we converted ten years ago to an electronic database. We were then allowed to convert the electronic database into a Website and GIS capabilities. We can now map the State-owned land and all the encumbrances and easements on that land. The far left on page 30 is a map of the Nevada Youth Training Center in Elko. We have to certify State improvements occurring within the boundaries of State-owned land.

We acquire land or interest in land on behalf of other state agencies to carry out their missions. We serve as the real estate entity for the State. The photograph on page 31 is a picture of the DMV office on Decatur Avenue, Las Vegas. We sometimes need to acquire easement to gain access to state-owned facilities. We do land exchanges to facilitate land development. We work with BLM to acquire recreation land under the Recreation and Public Purposes Act because the cost is minimal, and we do not have to use General Fund dollars. We receive requests from other entities and private organizations to use state-owned land. That use could be for utility-line easements, transmission lines or for buoys and pier permits on the State's navigable waters like Lake Tahoe. The far left on page 32 shows the Nevada State Prison property. We make sure the land is used as it is authorized.

We provide state land-use planning services. We have one land-use planner on staff. We interface and represent the State on federal land-use planning matters

and provide technical assistance to counties that do not have planning staff. We prioritize land-use planning. We see a high priority for representing the State on state-owned lands in relationship to interfacing with local governments. The picture on page 33 shows the land-use process we are facilitating involving Nellis Air Force Base; Clark County; the City of North Las Vegas; the Nevada National Guard, Office of the Military; and the BLM. We have conflicting land-use patterns in this small area. We are facilitating the land-use plan to make sure we can go forward with the Nevada National Guard projects and not conflict with other land-use plans with other entities.

The DSL is coordinating the State's environmental-improvement projects at Lake Tahoe. The Environmental Improvement Program for the Lake Tahoe Basin is a partnership between the federal government, Nevada and California, local governments and the private sector. We are facilitating the Nevada projects.

Eighty-six projects have been completed. They focused on water quality and improving lake clarity, improving forest health, erosion control and control of invasive species. Last week, U.S. Senator Dianne Feinstein, California, in partnership with the Nevada Congressional Delegation, introduced the Lake Tahoe Restoration Act which will authorize \$415 million for continued federal investment at Lake Tahoe. The graph on page 34 shows the clarity in Lake Tahoe is improving. General obligation bonds are funding the projects. Due to the economic conditions in the State, the bond capacity is challenged and affecting our projects.

CHAIR MANENDO:

Will the money coming from the federal government create jobs for Nevada?

MR. LAWRENCE:

All our environmental-improvement projects create jobs. To improve water quality and lake clarity, we need storm-water improvement projects. When the initial development occurred in the Lake Tahoe Basin, and roads were put in with no storm-water improvements and no water treatment. To make these improvements, jobs were created for the design team, the engineers, construction companies and suppliers.

In 2001, the voters approved a \$200 million bond program of which \$65.5 million is administered by DSL. These are resource and conservation grants that go to local governments and nonprofit organizations. We have

awarded \$54 million on 62 projects and 115 projects are scheduled, page 35. Our constraint with this program is that these projects are backed with General Obligation Bonds, and the bond capacity is constrained.

We administer the Lake Tahoe license-plate program and the Mt. Charleston license-plate program. We receive fees from the DMV. We award grants annually to various entities to do resource-program improvement at Lake Tahoe and Mt. Charleston. Grant applications go through an advisory committee to determine which grants to issue.

We are responsible for staffing the Nevada Tahoe Regional Planning Agency (NTRPA), page 37. It is a small program. The NTRPA is called out on a federal compact as a separate Nevada entity that basically reviews and approves improvements and modifications of the gaming structures at Lake Tahoe. We receive a small budget for doing it.

PETE ANDERSON (State Forester, Division of Forestry, State Department of Conservation and Natural Resources):

We have an office in Carson City, three regional offices, nine conservation camps, two inter-agency dispatch centers, two plant-material nurseries and our aviation program based at Minden Airport. The core-operational mission of the Division of Forestry (DF), DCNR, is focused on scientifically based management of Nevada's natural resources, including managing and coordinating forestry, nursery, endangered plant species, wildfire and watershed-resource activities on qualifying public, State and private lands.

There are six program areas listed on page 39, [Exhibit C](#). We have a forestry and natural-resource program providing technical assistance to private land owners and to State and local entities. We work closely with the federal land managers to address forest, woodland and rangeland health issues, critically endangered flora, watershed management and reduction of wildfire threat. We maintain a statewide nursery and a seedbank program for public and private lands. The purpose of the nursery and seedbank program are for watershed restoration, erosion control, fuels and vegetation management to reduce the threat of wildfire and to rehabilitate lands damaged by wildfire. We implement State and private forestry programs in conjunction with the U.S. Forest Service, including forest stewardship, urban and community forestry, biomass utilization, forest legacy and forest health protection.

We have completed our natural resource assessment and strategy. We have addressed a strategy to target funds for our highest priority projects. We have treated forest health issues on 7,277 acres in conjunction with our conservation camp programs and private sector contractors by utilizing federal grants and stimulus funds.

We are a partner in the pinyon/juniper restoration which strives for a scientific-based management of our pinyon/juniper woodlands. We have improved our nursery facilities, greenhouses and shade houses, and our focus is on obtaining contracts. The current economic climate has significantly impacted sales, and we are in jeopardy of closing the nursery facilities.

We have submitted our second annual report, as directed by the Legislature in A.B. No. 75 of the 75th Session, regarding forestry and fuels-reduction activities in the Lake Tahoe Basin. We run our conservation camp program in partnership with the Department of Corrections, page 40. The services we provide to state agencies, counties, communities and federal government agencies generate revenue and savings to the General Fund. We provide 48 fully trained type II 12-person crews for wildfire suppression. Daily, we send 71 trained 12-person crews out on conservation projects, state highway maintenance and support for local governments, communities and counties. We implement fuel-reduction projects.

We have vehicle maintenance shops for constructing, retrofitting and maintaining State vehicles, thereby saving General Fund money. We have met and exceeded our revenue target, and provided critical matched dollars with our federal grant. Many Tahoe Basin fuel-reduction projects on State and private lands were completed. We are working in Little Valley with the University of Nevada, Reno (UNR) Whittell Board of Control.

A list of the Wildfire Management programs is on page 41. We deliver a coordinated-interdisciplinary approach to comprehensive wildfire management including prevention, preparedness, fuels management, public safety and suppression resources, incident management and rehabilitation of burned lands. We provide initial-attack resources for the majority of wildfires occurring in Nevada, including federal lands. Our goal is to keep fires small and suppressed. The DF is a first responder to incidents under the State Emergency Response Plan. We maintain emergency-response agreements with neighboring states,

federal land organizations and state agencies, including the Nevada National Guard.

We have completed the requirements of S.B. No. 94 of the 75th Session, which included cooperation with the State Fire Marshal in the enforcement of laws and the adoption of regulation relating to the Lake Tahoe Basin and Lake Mead Basin. I am prepared to discuss results of the study with you this Session.

We continue to implement fuel reductions, and we have education-preparedness activities utilizing our permanent and seasonal firefighters.

Page 42 addresses our “all-risk” emergency services we provide in various degrees as required in NRS 473. Those services include responding to vehicle accidents, hazardous-material incidents, medical emergencies, structure fires and natural disasters. We responded to Lincoln County and Clark County, over the holidays, for flooding and on snow and avalanche-potential incidents.

Page 43 lists the emergency response support services. We pursue a variety of federal grants and funding for radio compliance and improvement to the Statewide radio system. We retrofit and provide federal excess property and equipment to volunteer-fire departments.

Page 44, [Exhibit C](#), lists the duties of our administration and fiscal services. A key accomplishment is a significant improvement of agreements with the federal land managers about focusing on improving the wildfire-billing process. We continue to secure competitive federal grants wherever possible.

Our key budget issues are shown on page 45. We are closing the Wells Conservation Camp, and we are consolidating our DF dispatch centers. The Elko interagency-dispatch center will take over the Minden dispatch office administering traffic, and the federal government will operate the Minden dispatch office itself. We are eliminating several positions, including the deputy state forester, southern regional forester, four administrative assistants and three vacant crew supervisors. We plan to establish a participatory wildfire protection program with all 17 counties participating at various levels. The counties will provide seasonal programs, and the DF will bring DF aviation crews and the emergency account.

SENATOR PARKS:

Will any fire stations be closed as part of the budget? What will happen if they are?

MR. ANDERSON:

We are not closing any fire stations. We are transitioning our "all-risk" responsibilities back to the county. We work in partnership with the counties, including Elko and Eureka Counties and Mt. Charleston in Clark County. The county pays for the operation; DF brings other activities including dispatch to the partnership. It is our goal to transition those jobs back to the county. We are negotiating with the counties right now. That process will take as much as 18 months.

SENATOR PARKS:

Will that mean the county will recruit and hire people to staff the fire stations versus NDF?

MR. ANDERSON:

No, our goal is for the existing staff to transfer to the new fire district. We have done this before in Washoe County, Douglas County and White Pine County. This can be done without any reduction in public safety.

CHAIR MANENDO:

How do you determine where to do roadside cleanups?

MR. ANDERSON:

We work with NDOT on the State highways. We put a work plan together for each of the camps based on funding and project needs. We have the crews go out on a daily basis. That work can include culvert maintenance, fence construction and litter pickup. We work on county roads and NDOT highways.

CHAIR MANENDO:

Do you do graffiti abatement?

MR. ANDERSON:

We have not done a lot of graffiti abatement.

SENATOR RHOADS:

What if the counties cannot afford to take over these services? Is there a backup plan?

MR. ANDERSON:

We can work out any obstacles that will occur. There are a lot of unknowns this Session. We have been maintaining dispatch centers in Elko and can continue to do it with the county, so there is no drop in public safety or service. We will have to work with each county independently to identify the challenges. Our focus is to concentrate on wildland fires.

DAVE K. MORROW (Administrator, Division of State Parks, State Department of Conservation and Natural Resources):

The 75th anniversary of the Division of State Parks (DSP), DCNR, was in 2010. The Nevada state park system is a diverse representation of Nevada's history, natural beauty and abundant recreational opportunities. The mission of NSP originated from legislation and accurately reflects what we do, page 46, [Exhibit C](#). In the last few years, our mission has been to keep DSP open and operating. Because of the economy, we have had to reorganize, reduce staff, engage in partnerships and develop new funding sources.

The Division of State Parks provides economic and social benefits. The 2009 survey results of state parks identified that Valley of Fire State Park (VFSP) contributed \$11 million in private-sector business opportunities, page 47. Tours have increased at VFSP, generating money for them. Closing or curtailing VFSP would result in a significant economic impact. Other studies are listed on page 47. Besides the money coming from within the State annually, \$19 million comes from out-of-state and out-of-country sources. The economic value of state parks is 20 times greater than its proposed General Fund appropriation. The less quantifiable social values are important for state parks. Our state parks are safe and affordable, and they are friendly. Nevada is blessed with an abundance of outdoor-recreation opportunities. Watching the young person on page 48, is rewarding and is what state parks are all about. Where else can a family spend an entire day surrounded by breathtaking natural resources, learning about the history of the state, or just having fun for less than \$10 per day for an entire carload?

There is a 60 percent reduction in the General Fund appropriation for DSP. An example of the positive reaction we continue to get from our visitors to our state parks is shown on page 49. Over 90 percent of the visitors surveyed this past year rated their experiences as good to excellent.

Some parks like VFSP, Lake Tahoe Nevada State Park and Cave Lake State Park provide private sector business and nonprofit opportunities. Companies like Spooner Outdoor Company, Scenic Las Vegas Weddings and Char Pit at Sand Harbor are examples of businesses succeeding by providing services in state parks. Lake Tahoe Shakespeare Festival and Ely's Fire and Ice Show are events produced by nonprofits. It is not the event that draws people; it is the unique setting on which those events occur. The Lake Tahoe Shakespeare Festival grew from an attendance of 500 in 1976 to 30,000 this past season. Some people I talked to from New Jersey said, "The play we watched was great, but it was looking at Lake Tahoe as the backdrop that really made it exceptional."

The budget impacts Nevada is facing have minimized the amount of General Fund money needed to operate our parks, page 51. We cut onetime expenditures, eliminated 19 permanent positions, cut the number of regional-management units in half and increased the amount of fees we generated by over a million dollars. We reduced the General Fund appropriation by 60 percent, but because our employees are so committed, they were willing to use their own tools, spend nights in sleeping bags rather than a motel, come to work early and go home late. The DSP employees have always found creative ways to get things done. When we had to curtail travel, we increased videoconferences. When we did not have money to celebrate the 75th anniversary of DSP, we sought out and received corporate donations, page 52. We increased our marketing efforts and developed special programs that brought in more people and money when it was apparent we could no longer depend on as much General Fund support. We have submitted a bill draft request that would allow parks to operate five sales outlets and install a limited number of vending machines at select sites. We have had discussions with groups encouraging us to augment our labor force, through such programs as AmeriCorps and the Department of Employment, Training and Rehabilitation to do things better and efficiently for less money. The value of state parks exceeds its General Fund appropriation.

Page 53 shows a cabin operated by a private concessionaire at Lake Tahoe Nevada State Park. We would like this opportunity for other state parks. With all the economic problems this State has been facing, we have been treated fairly by those we work with and for. Our suggestions for generating new non-General Fund revenue have been well received, and we have been encouraged to continue pursuing them by the DCNR and the Department of Administration. Partnerships like the one we have with the U.S. Bureau of Reclamation have also been critical. Without their financial support, pledged at \$250,000 both years of the next biennium, our proposed budget would have included deeper cuts, including more proposed park closures.

We worked with a company that produced a popular calendar of state parks. The calendar did not cost us anything. We just provided the pictures, they sell them on the Website and we receive a percentage of sales.

SENATOR MANENDO:

Is the cabin one the State owns?

MR. MORROW:

That cabin was built by the concessionaire. Technically the State owns all the facilities if something happens to the concessionaire. The money to build it came from the concessionaire.

SENATOR MANENDO:

I would encourage public/private partnerships. We do public/private things at our schools. I have been advocating doing those things since the mid-1990s. We hope to do public/private partnerships like this at the DMV. Where is this cabin?

MR. MORROW:

This is in the backcountry of Lake Tahoe Nevada State Park. There are two stores this concessionaire runs, and they are open all the time.

SENATOR MANENDO:

How much money does he make?

MR. MORROW:

I can find out. We receive a percentage of what he makes.

SENATOR MANENDO:

Do you expect other concessionaires to open stores?

MR. MORROW:

No. We are talking to other people who might be interested in doing it. We are looking at tents and other camping equipment so we would not create a competition. Camping tents and cabins have become popular across the country. We just negotiated a contract last week with a kayak concessionaire at Sand Harbor, Lake Tahoe. We hope that will generate up to \$30,000 for us.

SENATOR MANENDO:

Because of the budget situation, we have to be creative and think outside the box. Even in good times, we should have encouraged the public/private concessions.

ALAN R. COYNER (Administrator, Division of Minerals, Commission on Mineral Resources):

The mission of the Division of Minerals (DM) is found in my handout of this PowerPoint presentation on page 2 ([Exhibit D](#)). Page 3 tells who we are. Seven of our ten employees are unclassified. The DM and the Commission on Mineral Resources (CMR) are proposed to be consolidated into the DCNR. In their last meeting, the CMR voted unanimously to oppose the consolidation on the basis of policy inconsistencies and because no money is saved. In the budget hearing, members of the industries spoke out opposed to the consolidation, and no one from the public spoke in favor of consolidation.

What we do is listed on page 4. We help people with their mining claims, help people get bonded and answer peoples' questions about bureaucracy and regulatory requirements before they can begin natural-resource development. On page 5, a picture of an abandoned mine is shown. There are 200,000 abandoned mines in the State, and 50,000 would require protection like the one shown in the picture. There are property owners who have not complied with our notices to secure their mines. An accident occurred two weeks ago in Pershing County, where an individual was killed falling down a mine shaft on public land. We average one mine-related death every two years in Nevada. Our Motto, "Stay Out and Stay Alive," is the best advice in rural Nevada.

The students from the Mackay School of Earth Sciences and Engineering at UNR are part of our summer intern program shown on page six. Two of the students are female. The students do the bulk of the work in the field for the DM. Page 7 shows the Eagle Scout Securing Projects Program.

We are involved in building bat gates to protect the bat species as shown on page 8. We do not do a lot of backfills because of ecological concerns and expense. We do public outreach, especially with school children as shown on page 10. We are concerned about Virginia City because of the number of old mine sites there, page 11. We have a number of projects in Virginia City, such as the only hologram museum exhibit in Nevada that talks about "Stay Out and Stay Alive."

We stress minerals education with hands-on activities for teachers to use in the classroom, page 12. We talk about earth science and the importance of mining and minerals to the State. Page 13 has detailed information about mining and natural-resource production in Nevada. The PowerPoint presentation is available on the Website, and it is complete and factual.

The next few pages concern production and exploration activity the DM puts together annually. The graph on page 15 shows mineral and energy production starting from 1978. The total money accrued in 2009 was \$5.8 billion, down from the \$6.4 billion record in 2008. The different colors in the graph depict the various products shown on the left side. The gold bar indicates gold, the most valuable commodity, and it generates the most gross revenue for the State. The location of the major mines, oil fields and geothermal plants are shown on page 16. The map I handed out highlights the sand and gravel operations ([Exhibit E](#)).

Petroleum production in Nevada is a very short story. We need new oil discoveries. At Grant Canyon near Ely, South of Carrant, is an oil field that produced in the early 1980s and 1990s, that has now declined, pages 16 and 17. We are declining in overall production. We rank 26th out of 31 well-producing states. We have not drilled oil much in Nevada. With the price of oil rising, we may see more oil wells in the future, page 16, [Exhibit D](#). In 2010, we issued four permits, and two wells were drilled, page 18.

We are active in geothermal energy production because of the geology in Nevada, page 19. Production is beginning to increase as shown on page 20. We are beginning to see the Renewable Portfolio Standard permits being issued to

geothermal companies. Page 21 lists the geothermal producers with their capacities. Increase in activity with geothermal power is shown on the graph on page 22. Geothermal exploration on page 23 shows an increase. If you drive between Fernley and Fallon, you will see a couple of large drilling rigs that have been there for two years. The company is Gradient Resources. They are developing a project called Patua, near Hazen. The BLM have been proactive leasing land for geothermal use, page 24. The map on page 25 lists current geothermal projects in Nevada. The Nevada Bureau of Mines and Geology and the Great Basin Center for Geothermal Energy at UNR students are furnishing scientific information to the workers.

The production of gold in the United States is shown on page 27. The dark gold depicts Nevada's contribution since 1835. We are in a large gold production cycle. We are leading in gold production in the United States and in the world. We currently outweigh previous gold rushes. Even though Nevada's gold production has decreased as shown on the graph on page 28, we still are in the lead. The decline might be because the open-pit mines have become less frequent. The existing open-pit mines are more mature and deeper. Underground production is more expensive with less volume. Gold is hard to find and there are permitting delays. It takes five years to issue a permit to mine gold because of lawsuits from environmental, archeological and biological interests. When permitting is delayed, it means 500 jobs are held up. Delays are critical because they affect the economical welfare of Nevada. World gold production is shown on page 29. Gold production can decline like in South Africa, where they are now a second-class gold producer. China is the biggest gold producer in the world. Other countries producing gold are Peru, Russia and Australia shown on the graph.

We are the Silver State; however, Alaska has the highest production. Coeur Rochester Mine in Pershing County is our major silver producer. After 20 years of production, for them to resume operation, it still took them 2 years to get the permit. The price of silver is \$35 an ounce. Silver mine exploration might increase, but it is still a byproduct of gold production.

Financial Assurance is indicated on page 31. Assurance is noted in the millions.

Exploration and production companies come into our state and spend money by staying in motels, hiring drill rigs, paying to have claims staked, paying holding costs and paying assay companies. This is good for Nevada. The BLM graph on

page 32 shows a decline in the number of claims at the time the BLM put a maintenance fee on mining claims in the early 1990s. There is a concern that gold production is down. More detail is shown on page 33. The red shows the price of gold is going up. We have data from 2010 for the notice of intent to hold filings, which is the fee that comes to DM. There is an additional mining claim fee that goes to the General Fund. The claims have been constant.

Nevada is a major natural resource producer and has significant mineral and energy resources that can provide strong economic development into the future. The map on page 34 shows all the production sites in Nevada.

TIM CROWLEY (President, Nevada Mining Association):

I will introduce the mining industry to you. We have 40 operators who are members of the Nevada Mining Association (NMA). They mine a variety of minerals ([Exhibit F](#)). The NMA represents other venders listed on page 3. Our members unite to improve environmental stewardship and safety. We work closely with the state regulators. We work to do our business in an environmentally safe and conscientious way.

We have recently formed a contract with Allen Biaggi who used to run the DCNR. He will be helping us work with the DCNR on mine closures, air quality, federal land policy and time delays with permitting. The delays are a problem for essential work. The federal law ensures that we can coexist in a meaningful way with our communities and our fellow Nevadans, but we want to see it move as quickly as possible.

We have a safety committee. The picture on page 4, [Exhibit F](#), is of a joint regional safety conference we held at the Peppermill Resort Spa Casino Hotel in Reno last year. We hold this conference with our federal regulators, the Mine Safety and Health Administration (MSHA), U.S. Department of Labor. We must be transparent, even though we have been here since the beginning of statehood. We are trying to be more transparent and encourage people to check our Website. We are inviting policy makers, community leaders and fellow Nevadans to the mines to see who we are and what we do. Social networking is new to us, and we are learning to reach out to Nevadans.

There are positive developments on the horizon with the growth of mining, enabling more people to get back to work. We employ 12,000 Nevadans who make an average of \$80,000 a year, plus benefits. There are an additional

38,000 jobs in that supply chain. The unemployment rate is below ten percent in rural Nevada. Billions of dollars are being reinvested today to expand mines and bring new mines on line. Some recent mines are: the Hycroft Mine west of Winnemucca; Cortez Hills in Crescent Valley, which received its final notice of approval yesterday; and the Phoenix Mine in Battle Mountain. We are working on new mines and expanding old mines, like the molybdenum mine at Mt. Hope, Eureka County. There is a new lithium mine for battery technology north of Winnemucca in Kings Valley and a copper mine in Pumpkin Hollow in Yerington. Lyon County and the community of Yerington are in terrible fiscal shape, and bringing that mine online is good news for that community.

There are numerous geothermal facilities being built throughout the State. There are gold mines in the permitting process at Long Canyon, Emigrant and Gold Hill. Even though we represent 3 percent of Nevada's economy, we are paying over \$200 million in state and local taxes, page 7, [Exhibit F](#). The growth in taxes contributed over the last ten years has quintupled, page 7. We pay an average of \$12,000 per employee a year in taxes, above what the average Nevada business employer pays, page 8.

CHAIR MANENDO:

Would you mention the work you do at the McCaw School of Mines in Henderson?

MR. CROWLEY:

The McCaw Elementary School on Water Street, across the street from the Henderson City Council, has had a mock mine built by the mining industry and by the partnership. At our expense, fourth graders are bused to see what historic mining was like and how it has evolved into modern mining. They are learning about earth sciences and how minerals are utilized in our lives. Former first lady Sandy Miller is the chair of the foundation, making sure that facility stays current teaching children the modern way.

CHAIR MANENDO:

You have spoken to numerous groups and organizations in southern Nevada. Many people who have not lived in Nevada for a long time, or are from southern Nevada, do not have an opportunity to see this type of presentation. People from other parts of the country do not have mining, and it is new to them. They should be aware of the mining industry and the importance it plays in our State.

PAM WILCOX (State Conservation Commission):

I am the retired administrator of the State Conservation Commission (SCC). When I heard the Governor's budget was eliminating the SCC, I was appalled. I offered my services to help. You have a handout addressed to the Assembly Committee on Natural Resources, Agriculture and Mining ([Exhibit G](#)). There are currently seven agencies in the DCNR. Conservation districts have been around for a long time. They are grassroots programs with a small amount of state support for a large number of people who volunteer their time and effort to do natural-resource projects and to solve natural-resource problems for the State.

I had a lot of responsibility administering some high-profile and expensive programs while I worked for the State, but the SCC was my favorite. This is a real program with real people who do it because they care about conservation and natural resources, and they care about Nevada. They give their time to do it; they are not paid. This is one of the oldest programs, having started in 1937. It came out of the Great Depression and the Dust Bowl era when the federal government said to the states, "Hey, we'll create the soil conservation service, you create conservation districts, and we'll all work together to protect the natural resources of the Nation." We have 28 districts covering all of Nevada. This is a small government program with locally elected people. This program requires very little money. Some districts bring in money through grants. Last year, for each dollar that the State provided, the districts generated \$29 from other sources.

The Conservation District supervisors volunteer their time. Many of the conservation projects require contractors who provide jobs. The representatives of conservation districts agree positions should be cut like other state positions have been. After discovering the Governor's budget eliminated their commission, they developed their own budget with a 43 percent cut. They are only asking to continue the programs they have been doing the last 74 years.

SENATOR RHOADS:

What did they come up with for their budget?

MS. WILCOX:

They came up with \$230,000 each year. The current staff includes two professional positions and one half-time, clerical-support position. They eliminated one professional position. They cut back all the support money, drastically. They cut back grants to the districts from \$5,000 to \$3,500. They

will be able to keep the program going with these cuts. They anticipate when the economy improves, they will have a program to rebuild.

SENATOR RHOADS:
That budget is \$230,000 a year?

MS. WILCOX:
Yes.

SENATOR PARKS:
Have you presented the budget to the joint budget subcommittee?

MS. WILCOX:
Yes, the SCC did that.

ERIC RIEMEN (Carson Valley Conservation District, State Conservation Commission):
I have done a lot of projects with the conservation districts. We have work days on the river with school children, teaching them conservation. The SCC has helped with the Lake Tahoe Basin conservation. We are improving the conservation of Nevada. We should keep the SCC.

BARBARA PERLMAN-WHYMAN (Vice President, Nevada Association of Conservation Districts):
I am the vice president of the Nevada Tahoe Conservation District. I have submitted a letter ([Exhibit H](#)). Anyone interested in conservation should read the book *With One Voice: The National Association of Conservation Districts* which came out in 2009. It is the history of the conservation movement. There is an earlier book that has just been republished called *For Love of the Land: A History of the National Association of Conservation Districts* which covers the period from 1937 until 1980. *With One Voice* picks up from 1980 until 2009. It describes the importance of conservation districts to America. Every inch of America, including our territories, is part of a conservation district. It is important what Nevada has accomplished. Our national meetings are held in Nevada every fourth year. Almost 4,000 people come here for 6 days. We partner and collaborate with other public and private agencies. When I go back to Washington, D.C., they are impressed with our dedicated volunteers. This is the only organization able to work as a non-regulatory government entity and implement projects on both public and private lands.

To implement conservation planning on a watershed basis, many counties and federal agencies rely on districts to lead projects because they can work across property lines. We are able to be part of the National Association of Conservation Districts (NACD), which allows us to have a part of the Food, Conservation and Energy Act of 2008 (P.L. 110-246) (Farm Bill). We are not a farming state; we are a ranching state. If we are not a part of NACD, we would not qualify for Farm Bill funds. Cut us back, but do not cut us out completely. Our partners are landowners, counties, cities, schools, conservation cooperatives, irrigation districts, tribes, BLM, DCNR, DEP, Division of State Parks, and the list goes on. All the partners have spoken highly of what the NACD does:

Part of our mission is to be a locally led effort, helping to meet the goals of Nevada landowners and land users in conserving renewable natural resources through training and partnerships with public agencies and the private sector. It's a grassroots delivery system putting conservation on the ground.

TOM MINOR:

I am a rancher in Dayton on the Carson River. In the early 1960s, the federal government channelized the Carson River, which is owned by the State. One spring run-off, we lost 17 acres in a cut that was 10 to 12 feet deep. The Carson River was in horrible shape. There was no money in the State to fix this problem. A group of local landowners started a river group and formed a conservation district in 1991. At that same time, the federal government came in to make it a "Super-Fund" area. A "Super-Fund" area is where mines used to dump their mercury tailings. The only realistic way to fix this was to stabilize the banks. As a conservation district, we started working with several state divisions: DSL, DSP and DF. Because we were a local nonelected group, we were able to work together on the river. Since 1991, we have completed approximately 30 major projects. When the DEP were working on a project they said this was a restoration. Working together with state, federal and local people, we put the meanders back in. We got \$5,000 from the Division of Conservation Districts (DCD), DCNR. We put millions of dollars into the project. With the \$4,200 a year allotment, we are able to keep up the maintenance. High school students from the biology classes and students from the fifth grades and from the elementary schools are taken up and down the river to help with maintenance. The DCD have taken over the weed control in a lot of areas in the State that do not have weed-control districts. Using the

\$4,200 investment, we sprayed 1,500 acres of noxious weeds in Dayton Valley last year.

We need to be a subunit of state government for insurance purposes and for liabilities. If the DCD is removed, it will impact what we are able to do.

CHAIR MANENDO:

We have neighborhood-pride zones in Clark County. There are block-grant communities that can get \$500 or \$1,000. It is amazing what can be done with a small amount of money for abating graffiti or beautification projects. It is amazing what can be done with a little bit of hard work. A little bit of investment can go a long way. What you have done reminds me of the neighborhood-pride zones.

MR. MINOR:

We have invested close to \$4 million in the Carson River projects.

BRUCE PETERSEN (State Conservationist, Natural Resources Conservation Service, United States Department of Agriculture):

My agency has been a partner with the SCC for the 74 years they have been in existence. They are a key partner. They have been valuable to me. I deliver Farm Bill programs for the U.S. Department of Agriculture. Without the districts helping me, I would struggle to do that. I look to the districts to help me decide what resources to address, what cost-share rates to use and what kind of ranking criteria to use for my programs. They help me with outreach, and they help me with our delivery system where we reach out to Nevada producers. They have strong districts with the capacity and staff to aid my programs. I hope they are successful in maintaining their district leadership in this State.

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CHAIR MANENDO:

There being no further business, the Senate Committee on Natural Resources is adjourned at 6:09 p.m.

RESPECTFULLY SUBMITTED:

Sandra Hudgens,
Committee Secretary

APPROVED BY:

Senator Mark A. Manendo, Chair

DATE: _____

<u>EXHIBITS</u>			
Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	Leo Drozdoff, et al	Conservation slides
	D	Alan R. Coyner	Division of Mines
	E	Alan R. Coyner	Map of active mines
	F	Tim Crowley	Mining Presentation
	G	Pam Wilcox	Conservation Districts
	H	Barbara Perlman-Whyman	Written Testimony