

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-Seventh Session
May 22, 2013**

The Committee on Government Affairs was called to order by Chairwoman Teresa Benitez-Thompson at 9:09 a.m. on Wednesday, May 22, 2013, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at nelis.leg.state.nv.us/77th2013. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblywoman Teresa Benitez-Thompson, Chairwoman
Assemblywoman Dina Neal, Vice Chairwoman
Assemblyman Elliot T. Anderson
Assemblywoman Irene Bustamante Adams
Assemblyman Skip Daly
Assemblyman John Ellison
Assemblyman James W. Healey
Assemblyman Pete Livermore
Assemblyman Harvey J. Munford
Assemblyman James Oscarson
Assemblyman Lynn D. Stewart
Assemblywoman Heidi Swank

COMMITTEE MEMBERS ABSENT:

Assemblywoman Peggy Pierce (excused)
Assemblywoman Melissa Woodbury (excused)

GUEST LEGISLATORS PRESENT:

None

Minutes ID: 1239



STAFF MEMBERS PRESENT:

Jennifer Ruedy, Committee Policy Analyst
Jim Penrose, Committee Counsel
Bonnie Hoeffcker, Committee Manager
Lori McCleary, Committee Secretary
Jennifer Dalton, Committee Secretary
Maysha Watson, Committee Secretary
Cheryl Williams, Committee Assistant

OTHERS PRESENT:

Christopher B. Smith, Administrator, Division of Emergency Management,
Department of Public Safety; and Administrator, Office of
Homeland Security, Department of Public Safety
Rick Martin, Program Manager, Division of Emergency Management,
Department of Public Safety
John J. Slaughter, representing Washoe County
Cadence Matijevich, representing City of Reno
P. Michael Murphy, representing Clark County; and Coroner, Office of the
Coroner/Medical Examiner, Clark County

Chairwoman Benitez-Thompson:

[Roll was called. Rules and protocols were explained.]

We have one bill hearing today on Senate Bill 44 (1st Reprint). We have Mr. Smith and Mr. Martin from the Division of Emergency Management who will be presenting the bill. I will open the hearing on S.B. 44 (R1).

Senate Bill 44 (1st Reprint): Revises provisions relating to allocations from the Disaster Relief Account. (BDR 31-341)

**Christopher B. Smith, Administrator, Division of Emergency Management,
Department of Public Safety; and Administrator, Office of Homeland
Security, Department of Public Safety:**

With me today is Rick Martin, program manager for our recovery and grant section. We will give you a brief overview of the proposed clarifications in this Senate bill. We have already testified before the Senate Finance Committee and the Senate Government Affairs Committee. Mr. Martin will provide you a quick overview of the changes we are proposing to help clarify and make it easier for our local jurisdictions to go through the disaster relief process.

Rick Martin, Program Manager, Division of Emergency Management, Department of Public Safety:

We are here to ask to allow state agencies and local jurisdictions adequate time to develop and complete accurate applications. Currently, the statute allows 60 days to submit a completed application. We are asking to extend that to 60 days for an intent to apply and 18 months to ask for a completed application.

When we get into federal or nonfederal declared events, and we have other agencies assisting to provide financial assistance in emergencies or disasters, it often takes quite some time in order to collect accurate costs. We are asking for those time frames to be extended so we do not have to appear before the Interim Finance Committee (IFC) to ask for continuous extensions on the 60 days.

Christopher Smith:

I would like to give you a quick overview of what the Disaster Relief Account really does for our local jurisdictions. The Disaster Relief Account is managed through the Legislative Counsel Bureau (LCB). After an incident, specifically in nonfederal or federal declared disasters, local jurisdictions may need funds to pay for their responders or funds to pay for repairs. This is infrastructure that belongs to the local jurisdictions and/or the state. This is not a fund that we use to assist private citizens. This fund is for rebuilding the actual localities, such as streets and bridges, removing debris, or other restoration efforts.

Local jurisdictions have applied to the Disaster Relief Account for help due to recent events in northern Nevada: namely, the Washoe Drive fire and the Caughlin Ranch fire. Neither of those events were federally declared in order to pay for some of the resources. The local jurisdictions use these funds to help get back on their feet.

Oftentimes, this is not a full 100 percent reimbursement. This is upward of 50 percent reimbursement to the local jurisdiction. We do what we can to help them out, but we cannot get them back to full operation dollar for dollar.

Chairwoman Benitez-Thompson:

Did you want to address the specific sections, or would you like to take questions from Committee members on all sections of the bill?

Christopher Smith:

I would be glad to address a couple of specific items that were asked for after the initial bill was submitted. In Senate Finance, there was a recommendation regarding the reports we provide to the State Board of Examiners (BOE), that

we also provide the same report to LCB, specifically the Fiscal Division. That was the only change that was developed on the Senate side. What we have done informally for the past few disasters is perform that task anyway. We have now put that clarification into the bill.

Additionally, we want to identify the responsibilities of the division that were not necessarily identified in previous and current legislation. We want to make sure that our role is very clear to both the state and the local jurisdictions about how we facilitate the application process. We are there mainly to help the local jurisdictions work with LCB, ensure they have their applications in on time, and review their applications to make sure they are complete.

The process we have developed for the State of Nevada is very similar to the process that we use with the Federal Emergency Management Agency (FEMA). The mirroring of the process really helps with consistency in the event that we do have a federally declared disaster. We are able to use the same process for both our state and local partners, as well as our federal partners.

Assemblyman Ellison:

I have many questions about this bill. I watched what happened with the last two disasters. One of them was in Wells, Nevada, with the earthquake. It took forever for you guys to do anything. It was ridiculous the time it took. The schools were hit, the city hall was hit, and it took forever to get water back to these places. By extending the time limit, is that going to create more problems?

You should have been on the ground from day one. We used private money and the county stepped up. I thought the Division of Emergency Management would be there first. It was denial after denial and problem after problem. Could you address that?

Rick Martin:

The very day the event occurred, we sent damage assessment teams to assist. There were also volunteer organizations on the ground. We also had FEMA in town dealing with a northern Nevada flood at the time. All of those groups deployed to the Wells event.

In trying to get financial assistance to the area, it was determined by FEMA there was not enough damage to help the local jurisdictions. At that time, we did not have any financial assistance with the state to help them immediately. We have to rely on volunteer organizations, such as the American Red Cross, who are active in disasters. Those are the folks who come to the rescue most

often. Even in large-scale events, they are usually the boots on the ground that get there first to assist.

Unfortunately, there is not a mechanism in the state to help financially. We can help them with state agencies, such as the State Public Works Division and the Department of Transportation, to help put the infrastructure back in place, such as the roadways, housing, utilities, or whatever the case may be. We are able to assist with that immediately, but we are not able to assist financially.

This is a reimbursement program, so when we start putting these projects together in collecting costs for what they spent, initially they have to provide the funding up front and then they come to this account to ask for reimbursement. It is incumbent upon them to do it first. When they submit to us, we also have to take into account that insurance may play a major role, which it did in this specific case. It took quite some time for insurance to make that determination; almost a year and a half. The Disaster Relief Account is one of the last funds we seek assistance from. We go through all of the other funding aspects before we come to this account.

Assemblyman Ellison:

The event we are talking about is when Wells, Nevada, had an earthquake. The destruction that was caused was massive. They are still finding infrastructure problems to this day. The earthquake in Wells knocked buildings down, did major damage to the school, and destroyed city hall. There were so many problems, and it took a year and a half to two years before they could actually settle on an agreement and start rebuilding. A lot of the infrastructure to some of the areas, such as the water lines, all they could do was find areas where they could dig holes and cut the water off. There should have been more involvement.

Rick Martin:

We certainly agree with that.

Assemblyman Stewart:

Can you give us a rough estimate of how much money is in your fund biennially? What is your relationship with FEMA? Does the President have to declare it a national disaster before FEMA funds can be allocated?

Rick Martin:

There is approximately \$368,000 for the Disaster Relief Account. Regarding your second question, we are the conduit for FEMA and we have to meet several criteria before we can seek their assistance.

Assemblyman Stewart:

Is one of those criteria that the President has to declare it a national disaster?

Rick Martin:

That is correct. We will do a damage assessment with the local jurisdiction and try to determine if we reach the per capita amount. Nationally, for statewide events, we have to reach about \$3.5 to \$4 million before we can request FEMA assistance. Once we think we have met that threshold, we will call their office and conduct another assessment with their assistance. We will put all of those categories and criteria together. We will put together a damage assessment report and financial report for the chief and for the Governor. The Governor has to submit a declaration and has to request, through FEMA Region IX, through the President, a federal declaration. Once that goes to Region IX, they make a determination and then it goes to Washington, D.C., for the President's determination.

Assemblyman Stewart:

What about range fires? Are those considered under your department?

Rick Martin:

The Division of Forestry takes care of the FEMA Fire Management Assistance Grants through FEMA Region IX. I believe that is also a presidential declaration.

Assemblywoman Bustamante Adams:

Is the process you just described written down somewhere?

Rick Martin:

Yes.

Assemblywoman Bustamante Adams:

I would ask the Chairwoman if you could supply that for the Committee ([Exhibit C](#)), as that would be helpful. As far as disasters, could you name the last three or four disasters that have happened in Nevada that would have been eligible for this fund?

Rick Martin:

The last couple of events we have had included the City of Hawthorne wind damage event and a Clark County flooding event that took place on September 11, 2012. Those were nondeclared events. The last presidential declaration we had was the Fernley flood. There have been several other events in small communities since that time, and we have asked to have eligibility for this account.

Assemblywoman Bustamante Adams:

From where is the money generated?

Rick Martin:

I do not know.

Chairwoman Benitez-Thompson:

I believe that is in section 3 of the bill where it states it is created from the State General Fund. Because it is coming from the State General Fund, when there is a disaster and you are making out the payments, you have to go to the IFC. You cannot really schedule your disaster money. According to section 3, subsection 2, paragraph (b), "A transfer from the State General Fund in an amount equal to not more than 10 percent of the aggregate balance"

Assemblyman Elliot Anderson:

I am looking at section 5, subsection 1, paragraph (d), the new language about projects to reduce the likelihood of damage for future disasters. Could you give some examples of what that might be? I would also like to clarify for the record that a disaster has to be declared first through the provisions of the applicable chapter.

Rick Martin:

That is correct. It has to be a federal declaration, and we often ask for hazard mitigation, as well as public assistance from the federal government. This is for the cost-share for mitigation projects, which usually consist of a 25 percent cost match. Some projects that could be eligible are seismic retrofitting for seismic events that may occur, flooding events for building elevations, increased culvert size to allow a greater water flow, fire retardant shingles on a house to mitigate wildland fires, and those types of things.

Assemblyman Oscarson:

In section 3, subsection 5, you removed the Governor. Does the Governor not have to make a declaration before FEMA or the federal government can get involved?

Rick Martin:

Before a federal declaration, he does not.

Assemblyman Oscarson:

You have obviously deleted that for a reason. Could you tell me why it was deleted?

Christopher Smith:

For that line item, it was determined by the Office of the Governor to have a notice of an intent to apply for the funds. There was not a need for the Governor to declare a disaster. We may not have certain areas declared as disasters for the jurisdiction to apply for this account; for instance, the most recent high wind event in Hawthorne. We did not have it declared a disaster that day. The local jurisdiction still sustained substantial damage. Even though we did not have a Governor declaration, we still felt it appropriate that the local area could still apply for the disaster relief fund. The Governor's Office felt it was important to take that out of the language.

Assemblyman Oscarson:

Will this bill streamline the process for the smaller counties and smaller areas to be able to access some of these funds that they may need on an emergent basis?

Christopher Smith:

Yes. It provides the local jurisdictions the time they need to conduct an adequate assessment. After all of their insurance claims are processed, they get a true number of what funds they are really looking for and we can help them with our process. In the past, we have had to continually come back to the IFC to ask for extension after extension. Because of all the insurance claims that take place in these disasters, it initially takes a lot of time to process them.

Assemblyman Oscarson:

That is the piece I was missing. Thank you.

Assemblyman Livermore:

Could you tell me about the staffing of the Division of Emergency Management? What is your budget, and how many employees do you have?

Christopher Smith:

We currently employ approximately 32 full-time state employees. Our budget for the next biennium is anticipated to be approximately \$350,000 to \$400,000 for our General Fund uses. We operate with federal grant funds and with the State General Fund. The State General Fund is the smaller of the funds we operate from. I am sorry, but I do not have the exact numbers. I will get that for you.

Assemblyman Livermore:

In section 3, subsection 2, paragraph (b), there is a reference to 10 percent of the aggregate balance. When federal funds come, do you take a slice off the

top for management fees? Is that how your department is funded? I am trying to figure out who actually pays for the operation.

Christopher Smith:

Ten percent of the aggregate balance of the State General Fund is what funds the Disaster Relief Account. The Division's budget does not touch the Disaster Relief Account at all. This is funded purely out of the Fiscal Division of LCB. This is a legislative account. The only part of this account that we have is to help facilitate locals to apply for the account. It is not touching our General Fund.

Assemblywoman Neal:

What is the effect of deleting "disaster assistance" throughout the bill? The deleted language now puts you in a broader category of grants. Rather than it being direct disaster assistance-related money, it is now a larger category. First, what is the larger category you are falling into? Second, what was the reasoning behind taking yourself out of disaster assistance, knowing that you are doing disaster assistance?

Christopher Smith:

Thank you for that question. We wanted to broaden the availability for federal assistance. There are other federal entities that provide some sort of damage assistance, for instance, the U.S. Small Business Administration (SBA). They are not necessarily a disaster assistance agency like FEMA, but we wanted to broaden our availability to receive grants from these agencies and then give the local jurisdictions an opportunity to have matching funds with them. We wanted to increase that opportunity and not just limit it to a federal disaster assistance agency, which would be FEMA. We wanted more of a broad stroke with SBA.

Assemblywoman Neal:

This leads me to another question regarding the new language you added in section 4, subsection 5, which says, "Any project to prevent or reduce the likelihood of damage to property or injury to persons resulting from a similar disaster in the future." I am assuming you must have seen grants out there that related to prevention or reduction of the likelihood of damage or removal of debris from land or waterways, as in section 5, subsection 1, paragraph (c). What grants have you seen out there that you know you are probably going to use?

Rick Martin:

Section 5 refers to hazard mitigation. Oftentimes in events, we will ask for hazard mitigation, and it comes with a cost-share, just as some of our other

federal programs do. Usually, it is 25 percent. That is what we would like to have available for the local jurisdictions and state agencies to request.

Paragraphs (c) and (d) of section 5, subsection 1 were actually items that state agencies were already eligible to receive, but they were not available for local jurisdictions. We want local jurisdictions eligible to request this assistance from the state Disaster Relief Account.

Assemblywoman Swank:

I have one technical question. I see in a lot of the new language the use of "disaster," and then I see in some of the older language, on page 9, line 11, that the term "natural disaster" is defined. The bill switches between "disaster" and "natural disaster." I am wondering if there is a difference or if it is an oversight.

Rick Martin:

Could you point out the language in the bill where it states "disaster?"

Assemblywoman Swank:

It is on page 4, line 12.

Rick Martin:

Our definition of "disaster" and "natural disaster" usually includes man-made and natural events.

Assemblywoman Swank:

I just want to make sure it is clear that those are the same things.

Rick Martin:

Yes.

Assemblywoman Swank:

Regarding section 5, if a disaster occurs in an area that is prone to flooding, for example, at some point, is there an oversight to determine if it is or is not a good way to spend money to try to mitigate something that keeps happening?

Rick Martin:

We would put together a cost-benefit analysis to determine whether it would be better to put it back to predisaster conditions, enhance the project in order to eliminate it from happening again, or reduce the effects from it happening again. We would put that report together and let this body make the determination whether it would be eligible.

Assemblyman Elliot Anderson:

Would you talk more about what prompted the need for this bill? I think you touched on it a little bit, but could you expand further?

Rick Martin:

The division is the conduit for federal assistance. We are already in the field working with the local jurisdictions and we are already at the point of contact. The local jurisdictions were looking to us for assistance on how to apply to this account. Originally, it said 60 days to submit a complete application. That is not an adequate time frame in order to put an application together, especially if the federal agency is involved. We were helping the local jurisdictions not only put together an application but also come to this body to ask for extensions over and over again. With the changes we are asking for, we think it is going to be an easier flow and an easier conduit for the local jurisdictions. We are already working with them, we are familiar with this process, and we are familiar with the application process. We can help them with an adequate and complete application, and it gives us the time frame in order to put that together.

Christopher Smith:

There are three distinct responsibilities that are not laid out in the current legislation that the division would undertake under the proposed legislation. One of those would be to receive the notice of intent to apply for these funds within the first 60 days of the event and forward this to the Board of Examiners (BOE) and LCB. Additionally, we would receive and review the completed application within the 18-month period we are asking for now from the declared disaster. As Mr. Martin said, with the 60-day turnaround we currently have, we are continually coming back, having to get on the agenda of the BOE and the IFC to ask for extensions because the local jurisdictions have not had the adequate time they need to process all of their insurance claims. The new responsibility for the division would be to prepare the written report of a recommendation to both the BOE and LCB.

Assemblyman Daly:

In listening to the discussion here, I think I understand that we want to make this better. However, I have a concern regarding section 4, subsection 5 where you add that one of the things they can use this money for is "Any project to prevent or reduce the likelihood of damage to property or injury to persons resulting from a similar disaster in the future." I think I understand the intent there, but it makes me pause. If someone cannot get money for a specific project, they could apply to you to get money for something they could not otherwise fund. It may be related to a potential disaster or people could say it will help mitigate a future disaster. What safeguards are in place so that

disaster relief money goes for disaster relief first, instead of trying to make it a new funding mechanism for strapped public bodies? Because of the fact that they are strapped, we should try to address them in a different measure, but not here. I am concerned that someone's pet project is going to be a disaster relief project next.

Rick Martin:

We are concerned about that, as well. Again, with the mitigation projects, we will put together a cost-benefit analysis project to determine whether it would be a benefit to put the project back to predisaster conditions or enhance the project. We will allow this body to make that determination on whether it would be eligible or not.

Chairwoman Benitez-Thompson:

I would like to echo the same concerns of my colleague about the designated use of dollars that are prevention versus actual disaster mitigation and the types of projects that could potentially be funded and who might apply. That was at the top of my mind, as well.

I would like to go over the existing language in section 6, subsection 2, paragraph (a). There is still a process in place where before a loan is distributed to a local government, IFC does have to make the determination that the local government is unable to meet the financial obligation. I just want to clarify that this process, even with the extension of time, does not remove that requirement and that is in no way your legislative intent. Is that correct?

Christopher Smith:

Absolutely, Madam Chairwoman. There is no intent to remove the IFC from making the determination that the local government is unable to meet its financial obligations.

Chairwoman Benitez-Thompson:

I need clarification in section 9, subsection 1 regarding the new language, "or the governing body of a local government determines that an event constitutes a disaster" Is this the new practice? Currently, are local governments able to determine whether something is a disaster? Is that just an executive privilege at this point?

Rick Martin:

That is always the case. It has to come from the local jurisdiction first; the state is here to assist. The local jurisdiction would ultimately declare an event. They would then go to the next body, which would be the county. The county

would declare and then go to the state. The state may or may not declare and then the federal government is the next level.

Chairwoman Benitez-Thompson:

The local government declares first, then the state may or may not support that or have the same finding. Is that correct?

Rick Martin:

The local jurisdiction makes the determination that their event constitutes a disaster. They will request assistance from the next jurisdiction, which is the county. The county may choose to support or not support. If it is large enough, they come to the state and the state does the same thing.

Chairwoman Benitez-Thompson:

Talk to me more about this 18-month time frame. We are going from 6 months to 18 months. Can you tell me a little more about why 18 months is the magic number?

Rick Martin:

Historically, we have found that it takes at least 12 months to capture actual costs. Oftentimes, it takes longer than that. Eighteen months has been the normal time frame. We want to make sure we have enough time to put these complete applications together instead of having to come forward to ask for extensions on a continuous basis. It is a more realistic time frame.

Chairwoman Benitez-Thompson:

Twelve months for all the bills to roll in for insurance to say what they are going to cover or not, and from that, an additional six months for the local governments to get everything ready on their end. Is that the kind of timeline you are thinking of?

Rick Martin:

If a federal agency is involved, oftentimes when we send the information to that agency, they are making the determination on the majority of the costs. It takes them a long time to make those determinations. What we are asking for is adequate time for all of these costs to be identified.

Christopher Smith:

A good example of that would be what happened most recently with the Washoe Drive fire and the Caughlin Ranch fire. Those two incidents were federally declared with the Fire Management Assistant Grant. That usually happens when you have wildland fires that infringe upon an urban area. You do not want to limit the number of resources that can come to the aid very quickly

to support and put down a fire like that. Given that, we had federal agency involvement. The Caughlin Ranch fire occurred in November 2011. We are still in the process of recovering those costs. Because of that incident, the Washoe Drive incident, and subsequently the Hawthorne incident and the Clark County incident, we have come to the realization that we need more time to allow the jurisdictions and the federal entities who are involved in these to process the claims so we get a true picture of how much the states can support these local jurisdictions at the end of the day.

Chairwoman Benitez-Thompson:

For clarification on page 8, the new language on lines 22 through 25, which is section 9, subsection 5, paragraph (a), subparagraphs (3) and (4), they both state, "If the requester is a local government" Who else would it be besides the local government? By that, do you mean just city councils or commissions, or do you mean other established bodies, such as water authorities, flood projects, more of what I would consider quasi-governments?

Christopher Smith:

The definition that we operate under is that this is for state agencies and local jurisdictions; counties and cities.

Chairwoman Benitez-Thompson:

The intent is just counties and cities, correct?

Christopher Smith:

Correct.

Chairwoman Benitez-Thompson:

Our legal counsel is telling me it is defined in statute. Perhaps we could clarify that language, "If the requester is a local government . . . ," so there is no ambiguity. Thank you for stating your intent for the record.

Assemblyman Elliot Anderson:

I would like to clarify the conversation about requesters that are local governments. They cannot just initiate this process themselves. The way I read it, and I want to see if you agree, is that they also have to have the division say it is correct. They cannot go on their own to the IFC and BOE. Is that correct?

Christopher Smith:

That is correct. The division will make the damage assessment in that local jurisdiction to ensure that it is indeed worthy of an application.

Assemblyman Livermore:

When I was on the Carson City Board of Supervisors, I had a couple of occasions to have a special meeting where the board declared an emergency. The Waterfall fire is one example. When Carson City hit their limits in terms of finances and manpower, it had to be declared a state of emergency in order to access aid and state funds. Once we reached that threshold, we did go through the process. In the Waterfall fire, there were still claims being made after a substantial amount of time. I do not think the county knew exactly what the requests would be within the first month of the disaster. I want to put on the record that I have been through that and I saw how it works.

Rick Martin:

For the Waterfall fire, we are currently in the process of closing that disaster. It happened in 2005 and it is just now getting to the point where we can close it. It takes a substantial amount of time in order for the federal declarations to work themselves through the process.

Christopher Smith:

We have also instituted a new policy in the division for when local jurisdictions do have large disasters, such as the Washoe Drive fire or the Waterfall fire, that when there are any potential claims to the Disaster Relief Account, we conduct several meetings with the local jurisdiction and all the stakeholders that participated in the event to clearly spell out what the process is and how to navigate through the Disaster Relief Account, both on the state and federal side, if it is a federally declared disaster. We are making sure that all the stakeholders are in the room and they understand the process. We are there to guide them through it. The last thing a local jurisdiction should think about is all the financial implications. We first want to get our citizens back up and operational. That is what they are focusing on. We are there to guide them through the rest of the fiscal process as time goes on.

Chairwoman Benitez-Thompson:

Are there any additional questions from the Committee? [There were none.] I will open the hearing for testimony in support of the bill.

John J. Slaughter, representing Washoe County:

We are fully in support of S.B. 44 (R1). I believe you have been given several examples of disaster events and the timing. For us, the new timing represented in this legislation is necessary.

When we have a disaster, we immediately begin tracking costs. As soon as it is safe, we begin the damage assessment. As was mentioned, at the federal level FEMA will come in and damage assessment starts as soon as it is safe to do so.

However, it is not uncommon for damage and costs to be uncovered many months after an event has closed. Through this process and the time extension that is represented in this legislation, it allows us to fully capture the costs that a community has incurred during a disaster and to be able to make the claims that are necessary for recovery of those costs.

Assemblyman Ellison:

You are saying the back end of this needs to be extended longer, is that correct? In other words, if the closure date is six months or a year, you want to see the back end allowed to stay open longer for more research to determine if any other infrastructure is destroyed. Is that correct?

John Slaughter:

Yes. The 18-month time period that is represented in the bill, to us, becomes an adequate time; 60 days is not. Many times, when there is a disaster, particularly a large disaster, the first 60 days is really clean-up and other things that are occurring. I will use the 1997 flood in downtown Reno as an example. Many, many months were used for just cleaning up and uncovering the underlying damage that occurred. The extension to 18 months to file the actual report would be beneficial.

Assemblyman Ellison:

Does that allow you to still receive some type of payment or help within that time period? In some areas, you need funding and money to keep things going.

John Slaughter:

As I understand your question, my answer would basically be yes. During that time period, there are a number of resources available to us that we apply to. The longer the period of time we have, the better.

Chairwoman Benitez-Thompson:

To Assemblyman Ellison's point, the language in section 9, subsection 3, paragraph (a), states not later than 18 months. I imagine the intent is that if local government needed 18 months they could have 18 months, but could do it sooner.

Cadence Matijevich, representing City of Reno:

We are here in support of this bill and are grateful to this Committee and the Division of Emergency Management for bringing this bill forward for many of the reasons you have already heard this morning.

If I may, I would like to give some other examples I think may answer some of the questions and give the Committee a better understanding of why the

timeline is important. I will use the Caughlin fire that has been referenced a couple of times already this morning. You heard that event took place in November 2011. Because of the significant damage and burn to open space areas within our community, we had a substantial number of areas where we needed to go in to stabilize hillsides, amend soils, and plant vegetation. Our growing season is impacted by the winter season, so in that case, it really was an instance of just going in to stabilize hillsides in some areas and waiting until the spring. You can understand that in 60 days we barely had time to get those hillsides stabilized, let alone get the soil amended, clean up, and have an opportunity to plant additional vegetation that would prevent runoff and things of a similar nature in the future. Because of the process and the documentation we need to submit as evidence of the expenses that we incurred, this extension of time will be a significant benefit for us.

I would also like to answer a couple of questions that came up earlier. Assemblywoman Neal, you asked about where the disaster assistance language had been stricken throughout in referencing federal agencies. There are a number of agencies that we may need to work with, such as the U.S. Environmental Protection Agency, the U.S. Army Corps of Engineers, or the U.S. Fish and Wildlife Service. If we have, as a result of some sort of flood or fire, a breach to the Truckee River and our waterways, FEMA may not necessarily be the right agency for us to partner with. We believe the removal of that language gives us greater ability to access federal funds from other agencies that may be available.

I believe Assemblyman Daly and you, Madam Chairwoman, had a concern regarding section 5 and the language that speaks to our ability to apply for dollars to reduce the likelihood of damage or injury to persons from a similar disaster in the future. I would point to section 5 on line 15 of page 4 setting up the premise, which states, "Money in the Account may be distributed as a grant to a local government because of a disaster" There has to have been the instance of a disaster for us to be able to even apply for those funds. We could not apply for those funds prospectively in anticipation of a disaster; there would have had to be one already. This does not create an avenue for us to apply for funding for something we are anticipating in the future. We would have, unfortunately, had to already suffer the disaster.

Chairwoman Benitez-Thompson:

I think where we are begging the question on that is, for example, flooding in northern Nevada. We flood, we know we flood, and there are many different projects out there to prevent flooding. We are trying to get to the legislative intent for how far do some of these prevention dollars go and what is the offset of that in terms of keeping some of those dollars for the actual disaster itself.

I think that is the policy issue we are contemplating. For instances in which we know they happen and in which we know there should be funding, is this the most appropriate fund for those types of projects.

Cadence Matijevich:

Thank you for that clarification, Madam Chairwoman. I did understand, I just wanted to clarify that it is not something we saw as an opening to allow us access to these funds. A disaster will have to take place first. We understand the value of those funds being there for ourselves and other communities. It would not be our intent to abuse the availability of these funds, realizing that when they are withdrawn they are not available to other communities. We would not view this as another pot of money, if you will, to get what was referenced to earlier as pet projects.

With that, again, we would urge your support for this bill and I would be pleased to answer any additional questions.

Chairwoman Benitez-Thompson:

Are there any questions from Committee members? [There were none.]

P. Michael Murphy, representing Clark County; and Coroner, Office of the Coroner/Medical Examiner, Clark County:

In the interest of time, I will just echo the comments that have previously been made and tell you Clark County stands in support. I will answer questions, if you have any.

Assemblywoman Bustamante Adams:

Mr. Murphy, I know the disasters we talked about today were based in the north. Are the funds adequately distributed in the south?

Michael Murphy:

We do have our disasters. We do not pick them; they come where they come. Whether or not the money is distributed evenly, I think it is distributed appropriately. While there may be more instances in the north, I do not know if they are of the magnitude that we have in the south because of the population we have. We try to be good stewards in applying for them. Specifically, the disaster I am thinking of where we came north to assist was the Reno Air Races crash. Because of my area of expertise in reference to medical legal death investigation, I would tell you that the 60-day window may not be enough time to understand what the fiscal impact was to our office and the testing and things we may be involved in that we ultimately want to charge back to Reno or Washoe County in that particular instance.

I am not trying to skirt the question, but I do not think there is a problem with the funds being appropriately distributed. I do not know how you would predict where those disasters are going to happen. In reference to mitigation, specifically, I think all of our communities try very hard to address prospectively where those issues are going to happen and how we are going to mitigate them. In Las Vegas, as an example, we have put a ring around the valley in reference to how water is dispersed when there are heavy rains. As that infrastructure gets better, the disasters are less frequent and less serious. I think it is appropriately distributed.

Chairwoman Benitez-Thompson:

Are there any further questions? [There were none.] Is there any further testimony in support of the bill, either in Carson City or in Las Vegas? [There was none.] Is there any testimony in opposition of the bill? [There was none.] Is there any testimony neutral to the bill? [There was none.] I will welcome the bill sponsors back for any closing comments.

Christopher Smith:

I appreciate the opportunity to be here today to clarify the proposed changes in the bill. If there are any additional questions I could answer for you at this time, I would be glad to do so.

Chairwoman Benitez-Thompson:

Are there any additional questions for the bill sponsor? [There were none.] I will open the microphones for public comment. [There was none.]

As a reminder, the notices for Government Affairs meetings will come out quickly as we get Senate Finance bills. Please watch your emails and have your attachés watch for emails, because you may get notices late in the day about a meeting being scheduled for the next morning.

This hearing of the Assembly Committee on Government Affairs is adjourned [at 10:11 a.m.].

RESPECTFULLY SUBMITTED:

Lori McCleary
Committee Secretary

APPROVED BY:

Assemblywoman Teresa Benitez-Thompson, Chairwoman

DATE: _____

EXHIBITS

Committee Name: Committee on Government Affairs

Date: May 22, 2013

Time of Meeting: 9:09 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
S.B. 44 (R1)	C	Rick Martin, Division of Emergency Management	Financial Application for Disaster Relief Funding