

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

**Seventy-Eighth Session
March 24, 2015**

The Committee on Natural Resources, Agriculture, and Mining was called to order by Chair Robin L. Titus at 1:32 p.m. on Tuesday, March 24, 2015, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website: www.leg.state.nv.us/App/NELIS/REL/78th2015. In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblywoman Robin L. Titus, Chair
Assemblyman Jim Wheeler, Vice Chair
Assemblyman Nelson Araujo
Assemblywoman Maggie Carlton
Assemblyman Richard Carrillo
Assemblywoman Victoria A. Dooling
Assemblyman Chris Edwards
Assemblyman John Ellison
Assemblyman David M. Gardner
Assemblyman Ira Hansen
Assemblyman James Oscarson
Assemblywoman Heidi Swank

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblyman P.K. O'Neill, Assembly District No. 40



STAFF MEMBERS PRESENT:

Susan E. Scholley, Committee Policy Analyst
Jim Penrose, Committee Counsel
Donna J. Ruiz, Committee Secretary
Cheryl L. Williams, Committee Assistant

OTHERS PRESENT:

Rebecca L. Palmer, State Historic Preservation Officer, Administrator,
Office of Historic Preservation, State Department of Conservation
and Natural Resources
Peter Barton, Administrator, Division of Museums and History,
Department of Tourism and Cultural Affairs
Brian Reeder, Government Affairs Coordinator, Nevada Chapter,
Associated General Contractors of America, Inc.
Silvia Villanueva, representing American Council of
Engineering Companies of Nevada
Glen Whorton, President, Nevada State Prison Preservation Society,
Carson City, Nevada
E.K. McDaniel, Deputy Director, Operations, Department of Corrections
Claudia Vecchio, Director, Department of Tourism and Cultural Affairs
Terrie McNutt, Chairman, Executive Committee, Board of Directors,
Carson City Chamber of Commerce
Bob Crowell, Mayor, Carson City
Lori Bagwell, Supervisor, Ward 3, Board of Supervisors, Carson City,
Maurice White, Member, Board of Directors, Nevada State Prison
Preservation Society, Carson City, Nevada
Robert Ostrovsky, Chair, Commission for Cultural Affairs; Chairman,
Nevada Cultural Affairs Foundation; Member, Board of
Museums and History; and Member, Commission on Tourism
Brian Hutchins, Counsel, Nevada State Prison Preservation Society,
Carson City, Nevada
James R. Lawrence, Special Advisor to the Director, Office of the
Director, State Department of Conservation and Natural Resources

Chair Titus:

[Roll was taken. Committee policies and procedures were explained.] We are going to change our agenda today and take the work session first. I will open the work session on Assembly Bill 136.

Assembly Bill 136: Makes various changes relating to wildlife. (BDR 45-561)

Susan E. Scholley, Committee Policy Analyst:

You have your work session document in front of you ([Exhibit C](#)), and it is also posted on the Nevada Electronic Legislative Information System (NELIS). Assembly Bill 136 makes various changes relating to wildlife. This was sponsored by Assemblymen Ellison, Wheeler, Fiore, and others, and heard in this Committee on March 3, 2015. Assembly Bill 136 would have created a special hunting license for persons with disabilities who would not be required to pass the hunter education test but would require a supervisor hunter to accompany them while hunting. The bill would also allow persons to carry a firearm for personal protection during archery season.

In response to concerns raised at the hearing, amendments were proposed primarily from the Department of Wildlife ([Exhibit D](#)). The conceptual mock-up attached to the work session document ([Exhibit C](#)) was prepared by the Research Division. The final version of the bill will undoubtedly be somewhat different. As you see in the mock-up, the proposal is to completely remove section 1, which would thereby eliminate any sort of special hunting license or the need for any definition of supervisor hunter. As you can see in section 3 of the mock-up [page 5, ([Exhibit D](#))], it would add language specifically directing the Department of Wildlife to provide reasonable accommodations for persons with disabilities taking hunter education. This is already required under the Americans With Disabilities Act. The third change is to section 4, subsection 2 [page 5, ([Exhibit D](#))] of the mock-up, which would add some clarification on what firearms can be carried for the purpose of self-defense during archery season. It also adds an exemption for carrying firearms for the purpose of self-defense during muzzleloader or black powder season. I may have overstated how consistent this restriction on the firearms was with the temporary regulation, but it is my understanding that was the basic concept. Also as a special note, I would point out that if section 1 is removed from the bill by amendment, that will remove the fiscal impact of the bill as well as the two-third majority vote requirement. The two-third majority vote requirement was based on the fee for the new hunting license.

Chair Titus:

At this time I will entertain a motion to amend and do pass.

ASSEMBLYMAN WHEELER MADE A MOTION TO AMEND AND DO
PASS ASSEMBLY BILL 136.

ASSEMBLYMAN HANSEN SECONDED THE MOTION.

Chair Titus:

Are there any comments or discussion?

Assemblyman Ellison:

I would like to thank everyone for working on the bill so that it works for everyone.

Chair Titus:

My obligation was that it was a collaborative effort between the folks that brought it forward and the Department of Wildlife, so I would also acknowledge that effort. Having no further comments, I will call for the vote.

THE MOTION PASSED UNANIMOUSLY.

Chair Titus:

Assemblyman Ellison will take the floor statement. I will now open the work session on Senate Bill 20.

Senate Bill 20: Changes the name of the Commission for Cultural Affairs and moves the Commission to another department of the State Government. (BDR 33-319)

Susan E. Scholley, Committee Policy Analyst:

Senate Bill 20 changes the name of the Commission for Cultural Affairs and moves it to another department. The bill was heard in this Committee on March 17, 2015 and sponsored by the Senate Committee on Natural Resources on behalf of the Office of Historic Preservation. Senate Bill 20 will remove the Commission for Cultural Affairs from the Department of Tourism and Cultural Affairs and reestablish the Commission as an advisory board of the State Department of Conservation and Natural Resources. The bill also changes the name of the Commission for Cultural Affairs to the Commission for Cultural Centers and Historic Preservation. No amendments were proposed. Although there was a potential fiscal note to the state, the fiscal note submitted showed no impact. [Referred to work session document ([Exhibit E](#)).]

Chair Titus:

At this time I will entertain a motion to do pass Senate Bill 20.

ASSEMBLYWOMAN SWANK MOVED TO DO PASS
SENATE BILL 20.

ASSEMBLYMAN ELLISON SECONDED THE MOTION.

Chair Titus:

Are there any comments, discussion, or concerns? [There were none.] I will call for the vote.

THE MOTION PASSED UNANIMOUSLY.

Chair Titus:

Assemblywoman Swank will take the floor statement. We will now hear Assembly Bill 194.

**Assembly Bill 194: Revises provisions governing historic preservation.
(BDR 33-46)**

Assemblywoman Heidi Swank, Assembly District No. 16:

I am here to present Assembly Bill 194. It is correcting what I believe was an oversight in drafting at some point in the past. Currently, across the country the National Trust for Historic Preservation, the Secretary of the Interior's "Standards for Treatment of Historic Properties," and every certified local government that I know of in most states say that the era for which you refer to a property as "historic"—and we are just talking about naming an era—begins when the property is at least 50 years old. Right now, according to the *Nevada Revised Statutes* (NRS), anything can be called historic from the middle of the eighteenth century until literally right now. This just takes that back 50 years, which is the national standard. I have some folks here who are even more expert in the area than I who will talk a little bit more about this.

Rebecca L. Palmer, State Historic Preservation Officer, Administrator, Office of Historic Preservation, State Department of Conservation and Natural Resources:

My division supports this bill as written. If enacted, Assembly Bill 194 would provide clarity for the public, state agencies, and the contracting industry on the definition of historic resources. [Ms. Palmer continued to read from prepared testimony ([Exhibit F](#)).]

I do not support the amendment proposed by the Nevada Chapter, Associated General Contractors of America, Inc. ([Exhibit G](#)), as it places an undue burden on a process that is currently streamlined. It also requires review by the Board of Museums and History of all historic sites. I am sure that was not the intention of the amendment but is an unintended consequence. I will be happy to answer any questions.

Assemblyman Edwards:

I understand that anything 50 years or older is historic, but in the bill it talks about prehistoric being 1750 and earlier. Why was the mid-1700s chosen? Prehistory to me means there was no history of it at all. What is the rationale?

Rebecca L. Palmer:

The definition of prehistoric is based on when the most likely entry of European-Americans would have affected Native American culture. That is why it is defined as prior to 1750.

Assemblyman Wheeler:

Would you consider the World Trade Center or the Oklahoma Federal Building to be historic? According to this bill, they would not be considered historic.

Rebecca L. Palmer:

No, they would not be historic if they were less than 50 years old by definition.

Assemblyman Carrillo:

I am looking at this amendment, and the way I understand it is, the Board would have to vet this process. Is that what this amendment would require?

Rebecca L. Palmer:

That is my interpretation as well. It would place and require a new process for review of historic sites by the Board of Museums and History.

Assemblyman Carrillo:

Is that currently not done in any of the buildings in Nevada?

Rebecca L. Palmer:

No, the process is very streamlined. It is contained within my division for anything in NRS Chapter 383.

Assemblyman Carrillo:

What does this bill do if it passes or does not pass that would create a problem? What problem is this bill taking care of? Why are we here today listening to this bill?

Assemblywoman Heidi Swank:

This just grants clarity and matches the national standards that say something that falls into that era of historic has to be at least 50 years old. It brings us in line with what the practice is, not only across the country but also in our state.

Assemblyman Carrillo:

To create a standard—and I understand standards—I am trying to understand if there is a true need for it other than just for clarity.

Rebecca L. Palmer:

Part of NRS Chapter 383 deals with land transfers from the federal government to the state and local entities and it addresses historic sites. We want to make sure that if those land transfers occur, the entity receiving the property only need address those sites that are truly historic and not everything that is located in the property.

Assemblyman Edwards:

If we have sites designated as prehistoric, does that impede the ability of the state to receive land from the federal government?

Rebecca L. Palmer:

No, it does not. There may be a provision for mitigation or preservation, but it does not impede the transfer.

Assemblyman Edwards:

What about development of any state lands if they find fossils or ruins and so forth? Does that impede the development of any kind of industry?

Rebecca L. Palmer:

No, it would not. Under NRS 383.121 there is a requirement for consultation with my division, but there are also allowances for mitigation or salvage of the information rather than preservation of the resource.

Assemblyman Araujo:

Just to clarify my colleague's question, would not aligning ourselves more along the lines of the federal guidance help us as a state?

Rebecca L. Palmer:

Yes, it would be helpful.

Chair Titus:

I would like the Legal Division of the Legislative Counsel Bureau to give us a clarification on what the wording change actually does.

Jim Penrose, Committee Counsel:

This bill as drafted amends the term "historic" or the meaning of that term only for the purposes of certain provisions in NRS Chapter 381. It would not affect anything, I do not believe, in NRS Chapter 383. The provisions that we are

talking about require a permit from the museum director or his or her designee for anyone to investigate, explore, or excavate on any historic or prehistoric site on federal or state land. It is in that context that this bill is changing the definition, but only in that context.

Chair Titus:

Are there any other comments or further testimony?

Assemblywoman Carlton:

I think we need to clarify something in following along the line of questioning of Assemblyman Wheeler as far as using the word "historic." It is not as if those places are not historic in and of themselves because of the events that happened, it is the definition that is being changed here, which would be limited to those things with an actual age to them. Currently, under the term "historic," it could literally be up to yesterday. My lunch yesterday was historic, but with limiting this you would have to go back to my lunches from when I was in grade school to make them historic. We are looking at putting a parameter on the time frames because it is open-ended now.

Assemblywoman Swank:

That is correct. We are just putting a parameter on that time frame.

Assemblywoman Carlton:

In no way does this designate any place, spot, or building automatically historic just by its age. It still has to go through a designation process.

Assemblywoman Swank:

That is correct. This does not list something on a historic register. It just identifies a time frame.

Assemblywoman Carlton:

When we get to the proponent of the amendment, I am going to have questions on where that actually fits in with this. I grew up in a historic neighborhood, and I understand the complications surrounding how these things get placed on registers and the limitations when you live in a historic neighborhood. I want to make sure that we do not complicate the issue. The last thing people in Las Vegas who live in an older neighborhood want to do is have to get special permission to put storm windows on their homes. We want to make sure that gets addressed.

Assemblyman Ellison:

I agree with Assemblywoman Carlton. Fifty years is nothing on a building anymore. My house is an old converted schoolhouse. It is 125 years old.

The last thing I want is for someone to come and say we are going to put your house on a historic register. Fifty years is not very long ago. Is that the going trend everywhere?

Rebecca L. Palmer:

Yes indeed, that is the national standard. It is found in a sufficient number of state statutes across the nation as well.

Chair Titus:

We will take the next testimony.

Peter Barton, Administrator, Division of Museums and History, Department of Tourism and Cultural Affairs:

We share operating authority and responsibilities under NRS Chapter 381, and we, too, are very much in favor of adding this clarity to make Nevada consistent with the rest of the nation and the generally accepted professional standards for defining historic.

Assemblyman Gardner:

How often do your departments deal with buildings and things like that in the historic manner? How often are these designated? Is this something you deal with all of the time or just an every-now-and-then kind of thing?

Rebecca Palmer:

We deal with historic resources on a daily basis. We deal with listings in the State Register of Historic Places on a quarterly basis. They are more frequently evaluated if they are historic. Again, this is just defining what historic means, not determining things to be historically significant.

Chair Titus:

Any other questions? [There were none.] Is there other testimony in favor of A.B. 194? [There was none.] Is there any testimony opposed to A.B. 194?

Brian Reeder, Government Affairs Coordinator, Nevada Chapter, Associated General Contractors of America, Inc.:

We are opposed to the bill as written. Currently, a site must qualify to be historic based on historical significance and not its age. I think you could argue by slapping an age limit on this that there could be several sites that would be prevented from becoming historic just based on that 50-year mark. We believe that the bill could have some unintended consequences for our industry. One concern is that an individual could try to use bureaucracy to slow down or prevent a project. We do not believe that is the intent of the bill, but we believe that is an unintended consequence. We believe that by having an

age limit it creates a trigger that could basically be abused by individuals who like to use bureaucracy to slow things down. We proposed our amendment, and we think that it clarifies what our concerns are and helps. What it says is the buildings have to be on the State Register of Historic Places as well as be 50 years old. I would be happy to answer any questions.

Assemblywoman Carlton:

I just want to make sure that Mr. Reeder understands that currently something that was built and finished just a couple of days ago could be considered historic. If any changes were made these people who would use bureaucracy to impede growth could be using that right now. Are there any cases of that right now actually going on? Do we have any issues that we need to be aware of?

Brian Reeder:

There are no cases going on that I am aware of.

Assemblywoman Carlton:

You understand that this does limit it to 50 years, so it does open up a whole section that could not be discussed under the scheme that you are talking about.

Brian Reeder:

I do understand that.

Assemblywoman Carlton:

In the actual changing and putting the language in under historic site, I think there are more unintended consequences than just having the definition of historic. Growing up in a neighborhood that went through the historic designation battle, which took years out of my family's life to deal with, putting this type of language into this bill has more unintended consequences than just defining what the actual word really means. I need to understand from you exactly what you think this language will do so that we can weigh it with the other parts of the bill.

Brian Reeder:

The intent of the language is to clarify that when a project is going to go in and there is someone who wants to abuse the process and use bureaucracy to slow things down, they will leave no stone unturned to figure out a way to do that. Currently, the first thing they are not going to think of is that something is historic, and if they do, then they have to prove that it is significant. By putting a 50-year age limit it would prequalify, in a way, anything that is 50 years old.

Assemblywoman Carlton:

In closing, I believe with the definition that has been put in the bill, if we had a site within the state of Nevada that was along the lines of the World Trade Center or the Oklahoma Federal Building, this would make it more difficult for us to recognize those sites because they are not 50 years old. We would have even more difficulty recognizing those places in our history. I have real concerns about that language.

Chair Titus:

For clarification, do you have concerns about the bill as submitted or about the proposed amendment?

Assemblywoman Carlton:

I think the amendment language will cause more problems than needed.

Assemblyman Oscarson:

For the record, you have met with the sponsor of the bill and you have discussed your concerns with them, and there is no common ground you can come to that would indicate you could have additional conversations about this?

Brian Reeder:

So far, not yet. We have had several discussions with Assemblywoman Swank, and we offered the amendment, and it is not friendly, as you know. The simple answer is, not yet. We would be happy to work with Assemblywoman Swank.

Chair Titus:

Is there any other testimony opposed to Assembly Bill 194? [There was none.]
Is there any neutral testimony on Assembly Bill 194?

Silvia Villanueva, representing American Council of Engineering Companies of Nevada:

I first want to thank Assemblywoman Swank for bringing this bill forward and appreciate her efforts in working towards better defining the term "historic." While we support the goal of the bill, we are neutral because we would like to better understand how the language would be implemented. Our concern is that public projects may be delayed simply because a site is more than 50 years old. It is not uncommon for sites in rural areas to be more than 50 years old. We hope the bill will not be interpreted as requiring that all sites more than 50 years old be deemed historic. Perhaps this is more of an interpretive issue than statutory matter. We would definitely be happy to work with the Office of Historic Preservation, the sponsor, and anyone else to address our concerns.

Assemblyman Carrillo:

If the language were to change due to the proposed amendment, would you still be neutral?

Silvia Villanueva:

We are still reviewing the amendment. I would have to wait for feedback from our client before I could answer.

Chair Titus:

Is there any other testimony? [There was none.] Assemblywoman Swank, please come back up for closing remarks.

Assemblywoman Swank:

I want to thank you for hearing the bill and to reiterate that right now everything in our state from the 18th century until today is historic. This is strange to say the least, and I think this bill does nothing other than free up a lot of the groups like the Associated General Contractors to not have to worry about whether something could be listed if it is younger than 50 years. Again, I want to reiterate that there may be some confusion between the popular understanding of historic and when something is listed, which is after a very long process. All this really does is eliminate anything that was built less than 50 years ago from even being considered as possibly being listed. I want to emphasize that getting listed takes somewhere in the neighborhood of one or two years to get done. There are a lot of projects that get rejected from getting listed. Being historic is a very different thing. It is just an era.

Chair Titus:

With that we will close the hearing on Assembly Bill 194 and open the hearing on Assembly Bill 377. Will the sponsor of the bill please come forward?

Assembly Bill 377: Establishes provisions for the preservation, development and use of the Nevada State Prison as a historical, educational and scientific resource. (BDR 26-625)

Assemblyman P.K. O'Neill, Assembly District No. 40:

I would like to thank Chair Titus and the Committee for allowing me to present Assembly Bill 377 today. This bill creates a way to ensure that we preserve the historic Nevada State Prison, also known as NSP. It is not historic just because of the age of the prison. A lot of the activities that took place there were history-making. The prison was opened in 1862 before Nevada actually became a state. It had a long and proud history before it was decommissioned as a prison in 2012. In addition to its history as a penal institution, it has also sparked interest from the University of Nevada, Reno, and others because

of fossilized footprints on the prison grounds. The prison grounds also contain a quarry which produced the sandstone used in many historic buildings here in Carson City, including our capitol. Helping to make sure that Carson City and the state of Nevada did not lose another historically significant site, the Nevada State Prison Preservation Society was formed. Seated with me is Glen Whorton, retired Director of the Department of Prisons and the President of the Nevada State Prison Preservation Society Board. The Society has promoted various activities designed to educate the public about the history of the prison and the importance of preserving it. Preserving the prison was also a priority for my predecessor, the late Assemblyman Pete Livermore. He spoke with me often about how he planned to work toward preserving the prison in retirement, making it a useful and educational sight for the citizens of and visitors to our great state. During the interim, several agencies and people, including Assemblywoman Swank and the Preservation Society, met in accordance with Assembly Bill No. 356 of the 77th Session, sponsored by the late Assemblyman Livermore. They developed the details which you see today in A.B. 377.

This bill represents an extensive amount of work by various interest groups who want to see NSP protected, preserved, and properly utilized. It has sponsors from both political parties and from both legislative houses. Assemblyman Livermore believed strongly in preserving NSP. I strongly support NSP for the people of Nevada as a lasting legacy to my friend and mentor. I will now turn it over to Mr. Whorton, who will discuss the specifics of the bill, and E.K. McDaniel, the Deputy Director of the Department of Corrections, who will discuss a friendly amendment to the bill. At the conclusion, if it pleases you Madam Chair, we can take questions. [Assemblyman O'Neill also submitted prepared testimony ([Exhibit H](#)).]

**Glen Whorton, President, Nevada State Prison Preservation Society,
Carson City, Nevada:**

Our organization was established in 2011 to promote and facilitate the preservation of the Nevada State Prison. We did this in recognition of the site's political, social, and architectural significance. We have worked to promote its designation as a national historic site for the National Park Service's National Register of Historic Places in concert with Rebecca Palmer. We are a 501(c)(3) corporation, and we worked with Assemblyman Pete Livermore for the development and passage of Assembly Bill No. 356 of the 77th Session. It was passed unanimously by both the Senate and the Assembly at the last session. The outcome of that was an establishment of a steering committee to develop a plan for the use of the institution. That steering committee was led by E.K. McDaniel, Deputy Director for Operations of the Department of Corrections. It was very ably supported by the Division of State Lands and their

staff and supported by Rebecca Palmer from the Office of Historic Preservation and significantly by the Carson City Planning Office. They contributed a great deal of information and technical support. It was also obviously supported by Assemblywoman Swank; Assemblyman Livermore; and Assemblyman O'Neill as an interested citizen prior to his election.

The outcome of our plan was to cover these several areas ([Exhibit I](#)). The first one was obviously to create a museum with interpretive exhibits, tours, docents, and special events, all of those kinds of things that you would find in a museum. We believe that such a museum in such a location would be a significant addition to the economy of Carson City and to tourism activities taking place in this state. They would be an adjunct to the state museum and the railroad museum. Secondly, there is an opportunity for commercial use on that site. This is a very large and a very complex site. There is a historic 50-year-old site and there is also a more modern site. You can see on the left hand side of the screen [page 4, ([Exhibit I](#))], this particular area is what we would consider the historic area of the institution. The majority of the buildings come from about 1925. There are some areas that are older and some that are newer. To the right you see this more modern area, more modern prison architecture. It is not particularly good architecture, but it is there and it is available for whatever use the state could make of it. It could be commercial, or you might find opportunities for the placement of state agencies there, to reduce the state's commitment to leases. There is precedent for that given the Capitol Building, Secretary of State's office, Cultural Affairs at the Laxalt Building, and the Stewart Complex with the Department of Corrections, State Fire Marshall, and Peace Officers' Standards and Training Commission.

Additionally, we had talked about an opportunity to develop a correctional training program out there. In West Virginia, the U.S. Department of Justice ran a program at a closed facility to develop scenarios in training for instant response. There is no such capacity in the western part of the United States. This is an opportunity using any element of the institution. The older part and the newer part incorporate all of the architectural features that you see at a prison. That is one of the unique features about it. Given our accessibility, given a community that supports populations coming to hotels, motels, and restaurants, this is a distinct possibility. That plan essentially morphed into what you see today, A.B. 377.

Assembly Bill 377 essentially has two parts [page 5, ([Exhibit I](#))]. The first part is for the assignment of responsibility for the facility after the Department of Corrections no longer requires their operations inside that institution. The bill as currently crafted assigns it directly to the Division of Museums and History of the Department of Tourism and Cultural Affairs. Mr. McDaniel will be talking

about an amendment to that element that we believe is friendly and would provide more flexibility at a later time to determine where that responsibility should be assigned. The second element of the bill is to establish some sort of funding. It establishes endowment funds, and Mr. McDaniel is going to discuss an amendment that we believe offers more flexibility in terms of providing funding for the development and preservation of the institution. If you look in the audience behind me, you will see a large number of individuals from Carson City and the state who have not only worked on this plan and this bill but actively and enthusiastically support the preservation and the development of this site. I will be happy to answer any questions.

Assemblyman Ellison:

We helped Assemblyman Livermore when he was working on this bill, and one of his biggest themes was to try to reduce funding and money on this bill. The facility could be leased out for movie production and there could be a training facility. Are you going to follow along with that concept? There have been movies filmed out there. It seems like that would be a great thing to help get people enthused and excited, and that was what Assemblyman Livermore always talked about.

Glen Whorton:

That is exactly where we are going on this. If you have ever been out to the prison and ever gone through it, you will see from the standpoint of television or movie production it is an extremely visual kind of an institution. It has the atmosphere. We just obtained a copy of a movie that was filmed out there in 1949 called *State Penitentiary* with Warner Baxter. It has some tremendous scenes of the institution before it was remodeled. *An Innocent Man* was also produced out there, and there are others that are not as well-known. We receive questions once or twice a month from production companies that are interested in looking at it or talking about its availability. These funds would provide an opportunity to collect revenue from that kind of media production to the benefit of the institution. We have had instances in the past in the Department of Corrections where we have had movies produced at the High Desert State Prison as it was opening. Unfortunately, as that was not a common practice, the revenue received for that went to the General Fund rather than to benefit the Department of Corrections. That is why you see the funding presented here in this bill.

Assemblyman Oscarson:

Is there anyone from the Department of Tourism and Cultural Affairs or the Department of Business and Industry to testify about this? They have certainly been testifying about some other bills that are on the agendas for other areas. I was just wondering if they might be here to testify and support this as well.

E.K. McDaniel, Deputy Director, Operations, Department of Corrections:

Director Cox asked me to extend his apologies. He was subpoenaed to federal court in Las Vegas. He would have been here if not for that. I am grateful to Assemblyman O'Neill for bringing forward this bill. I was the person who was placed in charge of decommissioning and closing the Nevada State Prison in 2012. We wanted to make sure that we preserved and protected all of the buildings and all the artifacts and everything that was in there because of the rich history of that prison and its association with Carson City and the state of Nevada. When Assembly Bill No. 356 of the 77th Session was passed, I had worked with Assemblyman Livermore, and we were still working on this when he passed away.

We spent about a year working on this plan. I hope you have all had an opportunity to read the plan that was submitted ([Exhibit J](#)). It has 102 pages, so it has a lot of detail and a lot of information in regard to not only the historic side of that site, but also things that this committee felt we could do in the future. There are different kinds of ideas and plans as to how we could proceed. As a result of that, this bill has been brought forward so that we can be ahead of the game. The Department of Corrections is still utilizing two areas of the prison. The Department of Motor Vehicles is still operating the tag plant. They actually have an operating tag plant there. A new tag plant has been built and it is located at the Northern Nevada Correctional Center. It is my understanding that on April 1 they will be moving from the Nevada State Prison tag plant to the new tag plant. There will no longer be any inmate operations there. We also still have use of the execution area. If there ever came a time that we were commanded or ordered to do an execution, we would still have to utilize that area.

We really support this bill. One of the things that we tried to do was look at the way in which we could administer this, once we were finished and the Department of Corrections no longer needed the use of this particular property. Right now, if everything went perfectly, it would probably be at least two years from now, and it could possibly be longer than that. We wanted to make sure that we put in this bill, and we added to the amendments ([Exhibit K](#)) that the Department of Corrections will periodically consult with Carson City, the Division of Museums and History of the Department of Tourism and Cultural Affairs, the Office of Historic Preservation, the Division of State Parks of the Department of Conservation and Natural Resources, and the Nevada State Prison Preservation Society to plan for conversion of the Nevada State Prison to a Nevada cultural and historic destination. We also want to consult with those same entities to determine ongoing administration of the property and program development.

Who would be the best organization to manage the museum? We would decide at that time. It also changes a little bit of wording. The reason that the Department of Corrections asked not to use it anymore was a money issue. Trying to operate it to house prisoners was expensive, and there were a lot of things that needed to be done for us to continue to do that. A museum is not held to the same kinds of standards. It will take money and it will take some planning as well. In this bill we want to make sure that the Nevada State Prison Preservation Society has direct availability to be able to get funds and to be able to accept funds so they could use those funds toward preserving this site and moving in the direction we ultimately want to go.

In the amendment there are two different types of funds. There would be an endowment fund that would be set up to allow for contributions of all different types. The Division of Museums and History could use the interest off of that endowment to do whatever we needed to do to preserve the property and continue to make it ready to go. One of the problems that we see with that is that if you put \$1 million in that endowment fund, the way it is worded is that you would only have \$10,000 to use or the state would only be able to use that much money. We saw the real need for an immediate way to get money and to be able to do this, so we included setting up a trust fund. The fund would be administered by the Division of Museums and History in consultation with all the other people involved. They could use that money to maintain it, to preserve it, to do anything. Even if you have a closed building there are things that happen. We still have to keep the roof dry and the building preserved and we have to do all of those kinds of things as we go along. That is what these basic amendments are about. Director Cox of the Department of Corrections and I support the concept of this bill. We appreciate the opportunity to have worked with all these organizations to make this happen.

Former Director Whorton talked about the newer part of this facility in this bill; it allows for the Division of State Lands to turn over the nonhistoric part, if you will, to Silver State Industries. Silver State Industries is a division of the Department of Corrections that deals with outside businesses. They have the capabilities within their board to be able to do things like renting it out to do training, or renting it out for office spaces, or any other thing that we would be able to do down the line. The Deputy Director of Industrial Programs is Brian Connett. He could not be here today, but he asked me to share that Silver State Industries completely supports that concept.

We see it as a long-term money generating fund, not only for the museum but also for Silver State Industries. We could have a store there once it became a museum that would sell goods and services that would be generated by prison industries. We could sell museum-type products and other things that could be

associated with the prison. Years ago, they had a store at the prison where inmates made arts and crafts to sell to the public. It was really popular and a really good thing.

Again, we totally support this bill with the amendments that we made that allow for those two different funds. If you have any questions, I will be happy to answer them.

Assemblyman Ellison:

Utah has about six haunted houses, and there are people from Arizona, Montana, and Nevada who visit these old places. There is one between Salt Lake City and Tooele, and you see lines and lines of cars going there. They make hundreds of thousands of dollars on those. As far as the revenues go, it is amazing how much money they bring in.

E.K. McDaniel:

We are aware of that. If you look in the plan that the committee put together, they have a lot of those different types of possibilities. Ghost hunters and organizations like ghost hunters call my office about once a week asking if they could go in and film activities at night inside the Nevada State Prison. We are not capable of doing that right now because we still have inmates in there and it is still a secure area. We are in the process of starting some tours along with the Nevada State Prison Preservation Society. There is a big interest in that, and we believe if we are able to do this, then the funds generated could go straight into that trust fund. Those funds could then be used for maintenance once the Department no longer has a budget responsibility for it.

Assemblywoman Carlton:

This is a very interesting idea. With the debates that we had in the Assembly Committee on Ways and Means when we were talking about closing down the prison, I always thought something like this would come up in the future. I will preface this by saying that I support the bill and its intent, but I do have one small concern. We are taking state property and we are giving it to another entity, and they will be using it to generate funds for the museum. I am just a little concerned that some of that property can still generate revenue for the state. It is still usable property and it is still state property, and we could use it for other things. We are talking about taking a state resource and diverting it to use for another purpose. I want to understand the discussions earlier about using some of the pieces of this property to generate dollars to go into the fund and how that all works. People who look at things very hardline may look at this and say we are using a state asset for a state purpose, but a different purpose than it was intended for. What is the state losing by not disposing of this property as it would normally dispose of other properties?

Glen Whorton:

There is no intent or opportunity in this bill to turn state property over to a private or public enterprise other than the state. It would remain state property. Frankly, our organization is a 501(c)(3). We view ourselves in the same way as the Friends of the Nevada State Railroad Museum. The train museum is state property, all the items in there are state property, and that organization supports the state and actually provides them with funds and labor, and that is the way we see ourselves. If you review the bill again, it says the Division of State Lands will determine which state agency would take the responsibility for and, essentially, control of the facility. Whether it be the Division of Museums and History, the Division of State Parks, or remains with the Department of Corrections, it would still be a state facility and state property. The revenue generated there would be for the benefit of state property being Nevada State Prison.

Assemblywoman Carlton:

Maybe I did not make myself clear, but it will not be used for the same purpose it was used for before. It was a prison before, and it is not going to be a prison anymore. If we disposed of it, as was discussed years ago, what is the loss to the state for not disposing of the grounds? We just need to put these things on the record to have the discussion. Someone in the future is going to ask why we did not just sell part of this and use the money to support whatever we are trying to do. The question came to me, and I thought it was a valid question.

E.K. McDaniel:

One of the things that a lot of people do not understand about that property is that right next to Nevada State Prison is Warm Springs Correctional Center. Warm Springs Correctional Center is an active, running correctional facility that we operate in the Department. Those two pieces of property are so intertwined that it would be basically impossible to sell it or give it to anyone else for any other purpose because of the utilities and the fact that when those two prisons were built, they were meshed together.

Assemblywoman Carlton:

You put on the record everything that I needed you to say. Thank you so much, I appreciate it. That is all we need.

Glen Whorton:

I did fail to mention one thing. We are in the process of developing tours of the institution, and we invite any member of the Committee or the Legislature who is interested in viewing the facility to come for a tour. Whatever you would like to see at whatever time you would like to see it, we would be available to give you a tour.

Chair Titus:

Thank you for those comments, Assemblywoman Carlton. I think that was a very good issue to make and put on the record. The land is of value for sure.

Claudia Vecchio, Director, Department of Tourism and Cultural Affairs:

I am delighted to be here this afternoon to talk to you about this bill. The best projects are those that happen with great partnerships, great passion, and great potential, and I believe that this facility has all three. It has a tremendous preservation society that will serve very much like a friends society at other museums. This is commonplace. We could not operate without the volunteer hours, without this tremendous insight, and without the great understanding that our volunteers bring to each and every one of our museums. We believe that this is a historic site that needs to be preserved. There are rich and wonderful compelling stories that have occurred out there throughout the time that this facility has been in existence, and we believe that those will bring wonderful experiences for travelers who come to Carson City for a cultural and historic travel experience.

I actually came here a couple of jobs ago. I was tourism director in Ohio and we had a prison there, Mansfield Prison. It was actually the site of the filming of the *Shawshank Redemption*. You can imagine that lots of people came to that prison simply because it was a location for a film. A tremendous film to boot. We also had some of the most extraordinary and chilling ghost opportunities available at that museum, certainly around Halloween and the fall. Lots of people came there to spend the night in the facility. There is no way in the world that I would do that, but there were a lot of braver people than I who did come to the facility and enjoyed that experience.

We believe that the bill has tremendous merit as far as what this facility does bring to Carson City and the state of Nevada. We support the amendments 100 percent. As we were looking through the bill, the one thing that we wanted to be sure happened was that these consultations occurred prior to the Department of Corrections turning the facility over to another state agency. As you develop a tourism product, it takes several years to create. We did not want it to be two years down the line when the Department of Corrections did not use it and it was given over to whichever agency it is but in consultation with us. That is when we started with these conversations. We wanted to be sure that those conversations started early, which is a reason for one of the amendments. Then there is certainly the funding part of it. Endowments are funds that are set up to be for the long term. An endowment is an essential part of ensuring long-term stability for a not-for-profit organization like this. That private fund will allow for ongoing use of funds. It will allow people to give to particular projects within the development of this facility. That allows

for some more flexibility, and we like that a lot. We support the bill. We support everything this facility means to the city, and we believe it has tremendous tourism potential. We will look forward to working with all organizations collectively to ensure that this happens. I will be happy to answer any questions.

Assemblyman Oscarson:

I appreciate your being here and testifying because this was important to Assemblyman Livermore.

Chair Titus:

Is there any more testimony in favor of A.B. 377?

Terrie McNutt, Chairman, Executive Committee, Board of Directors, Carson City Chamber of Commerce:

The Carson City Chamber of Commerce is pleased to fully support A.B. 377, the bill to transfer the shuttered and historic Nevada State Prison to the Nevada Tourism Commission for future use as a possible tourism attraction. It is definitely on our agenda and has our full support. The Nevada State Prison is an integral part of our history in Nevada, and we must retain our history as we are losing so much of it so frequently. It is especially important for Carson City, where we are rich in history. [Ms. McNutt continued reading from prepared testimony ([Exhibit L](#)).] I am representing the entire Chamber of Commerce Board of Directors.

Bob Crowell, Mayor, Carson City:

Appearing on my right is Lori Bagwell from the Board of Supervisors of Carson City. We would like to thank the sponsors of the bill, in particular Assemblyman O'Neill and Assemblywoman Swank, who worked with us during the interim. It has been mentioned a couple of times, but we should also mention that we worked very closely with Assemblyman Livermore before his passing with respect to this project. It is not without remembering him that we are here today. I think it is fair to say that we would not be here today without Assemblyman Livermore. I think it is pretty clear that the Nevada State Prison is not only an integral part, but an important part of the history of Carson City. Our board has voted to unanimously support this legislation and stands fully ready to implement the provisions as they apply to the City with respect to the preservation of the prison and to do all things that are necessary. We have seen in our community the effect of destroying historic landmarks. I said this the last time when the original bill was presented. As many of you remember, the V&T roundhouse on Stewart Street was made from sandstone from the prison. For one reason or another that building is no longer here. We need not repeat that, and Carson City stands ready to help in any way it can to make

sure that this is preserved and used to the best possible purpose for not only Carson City but the state as well.

Lori Bagwell, Supervisor, Ward 3, Board of Supervisors, Carson City:

I would like to echo what the Mayor has indicated, and I will have to admit that I was also a deputy director at the Department of Corrections and retired from there. This is near and dear to my heart. I think the residents of the state of Nevada would be very proud to have this as an historic museum.

Assemblyman Oscarson:

I think if we were to know the real truth, Assemblyman Livermore is smiling right now. I want to recognize that this is with the help of a lot of really good people and is a really good project. I appreciate your support, and as an honorary resident, as you have named me, Mr. Mayor, I applaud you and hope this goes through.

Chair Titus:

Is there anyone else who would like to testify in favor of A.B. 377?

Maurice White, Member, Board of Directors, Nevada State Prison Preservation Society, Carson City, Nevada:

I would urge you to enthusiastically support this bill and see that it is passed. Speaking to you as a member of the Executive Committee of the Carson City Republican Central Committee, I would like to invite you to participate in the tours that we will be conducting at the Nevada State Prison through the Preservation Society on Friday beginning at 1 o'clock. I hope to see as many of you as possible on those tours.

Peter Barton, Administrator, Division of Museums and History, Department of Tourism and Cultural Affairs:

I just want to go on the record acknowledging our support of this bill. I made most of my career out of planning visitor experiences using public history as the hook. Planning is crucial in that effort, and I want to acknowledge the efforts of the team that worked post-Assembly Bill No. 356 of the 77th Session, the Department of Corrections, and the Nevada State Prison Preservation Society for coming up with a very detailed plan. This bill would enable us to further that plan to look at the marketing, the feasibility, the sustainability, and come up with a cost and phase-in plan for implementing a broad and diverse development. I applaud them, we support it and hope you will as well.

Robert Ostrovsky, Chair, Nevada Commission for Cultural Affairs; Chairman, Nevada Cultural Affairs Foundation; Member, Board of Museums and History; and Member, Commission on Tourism:

I am here wearing a couple of hats today. I am chair of the Commission for Cultural Affairs, and I am also the chairman of the Nevada Cultural Affairs Foundation, which raises money for the purposes of historic preservation and other cultural items in the state. I am also a member of the Board of Museums and History and chair of their finance committee and a member of the Nevada Tourism Commission. All of those hats I bring to the table in support of this piece of legislation to save the Nevada State Prison. I would also like to bring a little reality to this so the Committee is not misled in any way or overenthusiastic. These folks behind me all know this. Everything we talked about today takes money, and we are going to raise a lot of it. I have been fundraising in most of these capacities and have managed the private fund budgets for museums and raised outside money for these purposes through the Cultural Affairs Foundation. I guess what I am asking you to understand is this bill sets you on a journey; it does not get you there yet. It is a long journey.

Think about it in terms of the Ely railroad site and depot. That project has been going on for a couple of decades and will go on for many more decades. I think this project will require fundraising of a considerable amount of money to be put into the endowment. I think the purpose of what we are trying to do to the extent we can is to avoid State General Fund money being used. We all know museums and histories, and those who sit on the Assembly Committee on Ways and Means know those budgets were significantly cut following the 2008 recession. We are struggling to get back, so we always have problems turning on the lights and maintaining our buildings. This is a huge site, which you can see. It is going to take a big effort on the part of the community and on the part of those people in the community like Assemblywoman Swank and myself, who have spent a lot of time and effort trying to raise money for preservation. We will be there to support these groups to do that, but this is not going to happen overnight; this is a long term project. Hopefully, this will be a project that we are all proud of, but it will not be tomorrow, and it will not be next year. It will be a long process. You will be hearing from us for a long time asking for the support of the state to make this a facility that we can be proud of. I just want to make sure that we understand that this is a journey, it is not a destination. We are a long ways from the destination. These folks know how hard it is. They worked many years to get into this room today, and there will be many years to come where these folks will have to put in a tremendous amount of effort to make this work. I will be happy to answer any questions.

Chair Titus:

I just want to go on record as saying thank you for all the time and effort and the true community effort behind this. As the founding member and President of our Smith Valley Historical Society, I know how important it is to preserve history. It is not an easy effort, and it is definitely a journey. I like your analogy here. Are there any other comments in favor of A.B. 377?

Brian Hutchins, Counsel, Nevada State Prison Preservation Society, Carson City, Nevada:

I am in private practice as an attorney here in Carson City. I helped the Nevada State Prison Preservation Society get its 501(c)(3) designation and incorporation. Prior to being private counsel, I was with the Office of the Attorney General for 23 years. I was Chief Counsel for the Department of Transportation and I was Chief Deputy for the Bureau of Criminal Justice, so I had occasion to have a client by the name of Department of Prisons. It was a lot of fun. I have a disadvantage of not being able to have seen the amendment that I understand is on the Nevada Electronic Legislative Information System (NELIS). I am willing to assist in any manner possible in putting that amendment in the right format. After reading the amendment and looking at the bill, it appears to me there needs to be some tweaking. The amendment and the bill intend to create about three different funds, and I see some of the language might be a little conflicting and overrestrictive, and some of the terms might be preclusive of one another. I would be happy to help in straightening out that language, so I make myself available.

Chair Titus:

Would anyone else like to speak in favor of A.B. 377? [There was no one.] Is there anyone wishing to testify in opposition to A.B. 377? [There was no one.] Is there any neutral testimony?

James R. Lawrence, Special Advisor to the Director, Office of the Director, State Department of Conservation and Natural Resources:

I would like to commend Assemblyman O'Neill and Assemblywoman Swank and the cosponsors for bringing this important legislation forward. The Nevada State Prison is truly a very special state asset, the Nevada State Prison. During the last two years, the Department of Conservation and Natural Resources, through the Division of State Lands and the Office of Historic Preservation, was very proud to work with the committee. It was a labor of love, and it was really to support this effort and the report that came out of it. We are neutral on the bill as written. We really do commend the efforts, as this is a state asset that needs to be protected. We have not seen the proposed amendment, and we do not anticipate any problems with the

proposed amendment. We do reserve the ability to weigh in once we have a chance to review the proposed amendment.

Chair Titus:

Thank you everyone for coming today. I think Assemblyman Livermore is probably smiling. This is an important day, and I would appreciate it if Assemblywoman Swank and Assemblyman O'Neill get together with Mr. Hutchins to make sure the amendments are right, before we put this into any kind of a work session. Are there any other comments? [There were none.] I will now open the meeting for public comment. [There were none.] I will close the hearing on A.B. 377. The meeting is adjourned [at 2:52 p.m.].

[([Exhibit M](#)) was submitted for information purposes but not discussed.]

RESPECTFULLY SUBMITTED:

Donna J. Ruiz
Committee Secretary

APPROVED BY:

Assemblywoman Robin L. Titus, Chair

DATE: _____

<u>EXHIBITS</u>			
Committee Name: <u>Committee on Natural Resources, Agriculture, and Mining</u>			
Date: <u>March 24, 2015</u>		Time of Meeting: <u>1:32 p.m.</u>	
Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 136	C	Susan E. Scholley, Committee Policy Analyst	Work Session Document
A.B. 136	D	Department of Wildlife	Amendment
S.B. 20	E	Susan E. Scholley, Committee Policy Analyst	Work Session Document
A.B. 194	F	Rebecca Palmer, Office of Historic Preservation, State Department of Conservation and Natural Resources	Written Testimony
A.B. 194	G	Nevada Chapter, Associated General Contractors of America, Inc.	Proposed Amendment
A.B. 377	H	Assemblyman P.K. O'Neill, Assembly District No. 40	Prepared Testimony
A.B. 377	I	Glen Whorton, Nevada State Prison Preservation Society	Presentation
A.B. 377	J	E.K. McDaniel, Department of Corrections	Report, "Preservation, Development and Use of the Nevada State Prison"
A.B. 377	K	Department of Corrections	Proposed Amendment
A.B. 377	L	Terrie McNutt, Carson City Chamber of Commerce	Written Testimony
A.B. 377	M	Rebecca Palmer, Office of Historic Preservation, State Department of Conservation and Natural Resources	Letter