

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

**Seventy-Eighth Session
February 5, 2015**

The Committee on Natural Resources, Agriculture, and Mining was called to order by Chair Robin L. Titus at 1:05 p.m. on Thursday, February 5, 2015, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 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: www.leg.state.nv.us/App/NELIS/REL/78th2015. In addition, copies of the audio or video record 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 James Oscarson
Assemblywoman Heidi Swank

COMMITTEE MEMBERS ABSENT:

Assemblyman Ira Hansen (excused)

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Susan E. Scholley, Committee Policy Analyst
Jim Penrose, Committee Legal
Karla Reed, Proofreader
Donna J. Ruiz, Committee Secretary
Cheryl Williams, Committee Assistant

Others Present:

Jim R. Barbee, Director, State Department of Agriculture
Bart O'Toole, Administrator, Division of Consumer Equitability, State
Department of Agriculture
Dawn Rafferty, Administrator, Plant Industry Division, State Department
of Agriculture
Robert D. Haughian, Administrator, Operations Division, Department of
Wildlife

Chair Titus:

[Roll was taken. Rules and protocol were stated.]

For those in the audience, please sign in at the door, and if you wish to testify today, indicate your position on the bill. Handouts and exhibits for today's hearing were due yesterday and are posted on the Nevada Electronic Legislative Information System (NELIS). There are some limited copies at the door for those who did not bring portable access to the Internet. Those of you who are going to testify, please give your business card to the committee secretary. Please push the button to turn the microphone on when speaking and state your name for the record. Also remember to turn the microphone off when you are finished speaking.

We have a rule in the Assembly that organizes testimony into three different categories. In support means you are in favor of the bill or have a friendly amendment that the bill sponsor has approved. Oppose means you are not in favor of the bill or have amendments that have not been approved by the bill's sponsor. Neutral means you do not have a position but want to take a few minutes to comment.

Committee members use their laptops and will be looking down. We apologize for this, but we are paying attention to you.

I would like to introduce Mr. Jim Barbee with the State Department of Agriculture. He will give us an overview of his department.

Jim R. Barbee, Director, State Department of Agriculture:

Thank you for the opportunity to present to the Committee about what the Department of Agriculture does and our role with that industry. I have a short 2 1/2 minute video ([Exhibit C](#)) that gives an overview of what we do at the agency. It ties some visuals to our headquarters and some of the laboratories and testing and other things that we do. I also have a ten slide PowerPoint presentation.

My division leadership team is here and will be available for questions. They are Dawn Rafferty, Administrator, Plant Industry Division; Donnell Barton, Administrator, Food and Nutrition Division; Bart O'Toole, Administrator, Division of Consumer Equitability; and Flint Wright, Administrator, Animal Industry Division. Mark Jensen, Nevada Wildlife Services State Director, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, is also here. Mr. Jensen is one of our cooperators through the Wildlife Services program that we partner with.

Now I would like you to take a look at the Nevada Department of Agriculture video presentation ([Exhibit C](#)).

Chair Titus:

I especially appreciated the pictures of the cow in the urban setting.

Jim Barbee:

I will now go through the PowerPoint presentation ([Exhibit D](#)). I have already introduced our staff, and some of this information was presented in the video. In the video we introduced the agency's mission, and you got an overview of some of our programs. Again, we have five divisions, including the Division of Administration, and four offices, including a satellite administrative office in Carson City.

I will go over some of the Department's highlights over the last biennium. We had a large merger per the 2013 Legislative Session. The State Dairy Commission, child nutrition program, and commodity foods programs were brought together from other agencies and placed in the Department of Agriculture as the Food and Nutrition Division. That has proved to be very successful. We had some challenges, not only from new staff and their concerns coming into our complex, but from the staff that have been at the Department of Agriculture for some time. We had to do some activities to blend those groups, but thus far it has been very successful.

Utilizing our promotions and communications team, we put together the 2014 Governor's Conference on Agriculture. It was held in Reno, and we had

over 200 attendees. There were over 40 expert speakers and numerous panels that were focused on some topics that were not easy to talk about. Some of the discussions were relative to public lands, genetically modified organisms, and a lot of the things that you, as legislators, face every other year as you are doing your work. We had very open, frank conversations, but from a very diverse population of urban, agricultural, and rural Nevada folks. We were excited because it was very successful and positive.

I would encourage you to take a look at our website because a lot of this material is on there. You can actually see the different panels that we had and all of the state, federal, and state agency leaders that participated. You will find it on our website as the "2014 Governor's Conference on Agriculture Report."

As we promised during the last session, we have been surveying our external customers about customer service. Our external surveys have been very positive, and we are going to continue to work on those each year and raise the bar as we can. Our internal surveys, which is our fiscal agency surveying our divisions, have had some bumps, but overall it was pretty positive. We definitely have some things we are working on and some things that we have already made improvements on. One of those things was our internal communications. We have implemented an intranet website at the agency. Each morning when staff members log on to their computers it goes to an intranet site, and that is how we communicate. The site provides daily reports on what is going on with the agency and its events and activities. There is also a Director's update section along with my daily schedule, so staff know where I am and what I am working on.

A year ago we launched the Buy Nevada program. We have had a tremendous amount of success with this program. We now have over 130 businesses that are part of the Buy Nevada program. Six of those are what we call platinum members who buy a specific membership. Included in their membership is marketing advice, presentations to their staff, as well as the video production. There was footage from some of the different businesses on the video. If you go to the Buy Nevada website, you can see some of the business highlight videos that have been produced.

Agency staff has produced "An Economic Analysis of the Food and Agriculture Sector, 2015" ([Exhibit E](#)). We have not historically had an agriculture report which was done for the state, and we are very proud of it and the positive feedback we have received. It is broken down to the county level, because that is one of the suggestions we received about our previous reports.

We have been involved with public service announcements to market and promote the agriculture industry. This was in coordination with the Governor's Council on Food Security with whom we have a partnership.

In print media we have space in *The Progressive Rancher* and *Edible Reno-Tahoe* magazines. This is used to market the Buy Nevada program and folks.

I would like to draw your attention to the "2014-15 Biennial Report for the Nevada Legislature" ([Exhibit F](#)) which you should have in front of you. This PowerPoint presentation is a very high elevation of that report. If you miss anything, it is in the report. This report provides more detailed information and may generate future questions.

As you can see in our data [page 5, ([Exhibit D](#))], there are 4,137 farms and ranches with 5.9 million acres in the state, according to the "2012 Census of Agriculture" from the U.S. Department of Agriculture. There are \$716 million in cash receipts of agriculture commodities, 60 percent of which are livestock production, and 40 percent of which are crops. Agriculture is an industry which has been doing very well in the past several years. We have seen all-time highs recently in the cattle and fat steer market. Those have shrunk a little bit in the last couple of weeks but not badly. Agriculture has a \$5.3 billion direct and indirect impact on Nevada's economy [page 4, ([Exhibit F](#))]. This industry provides roughly 60,700 jobs and \$160 million in exports. I believe that agriculture is only one of two industry sectors where our exports have continued to increase over the past two years, so we are very pleased with the progress which has been made by the industry.

The Nevada Department of Agriculture was created by the Legislature in 1885. It was originally focused at the agriculture society and involved in some of the state fair activities when it was created. It has obviously been modified along the way over those many years. Currently the administration is identified in Chapter 561 of *Nevada Revised Statutes*. That office contains our fiscal administration, so all of our fiscal programs are there along with the Buy Nevada program and the global trade and economic development position. The global trade and economic development position works with the Western United States Agricultural Trade Association connecting businesses with international trade opportunities.

We have an agricultural literacy position that is focused on K-16 agricultural literacy. It works to help develop agricultural curriculum, making sure that information that comes out of the agriculture reports makes it into the classroom. It supports statewide agriculture education efforts and works with 4-H and FFA programs in the state.

Finally, we have our information and education officer, and what that is, is basically our researcher. That is the person who is doing the research on the agriculture industry, the economies of scale. This position leads the way and helps create the yearly agriculture report. The report is a team effort.

Regarding the programs and boards that are located under administration, we have a working relationship with the Nevada Beef Council. We help them in terms of collecting their money and managing the fiscal side. We have no authority over the council because it is set up by federal statute. The Rangeland Resources Commission is also under the umbrella of the Department of Agriculture. They operate under their own authority, but we assist them in the management of their funds and resources. Additionally, of course, the State Board of Agriculture is in administration along with the Nevada Junior Livestock Show Board. The Nevada Junior Livestock Show happens each April.

In the Animal Industry Division, we have our animal disease and food safety laboratories. A tremendous amount of testing is done in dealing with everything from animal disease and its relationship to public health through zoonotic diseases. There is a list of testing we do on page 9 of the biennial report ([Exhibit F](#)). We do West Nile virus testing that you hear about on the radio each year. We test wildlife, rodents, predator animals, as well as the agriculture, and domestic animals, that are disease-suspect. The necropsy and any testing on those animals would be performed at our Sparks headquarters in our laboratories. We work closely with both the beef and sheep industry in terms of disease monitoring. Some of the things we monitor for are trichomoniasis and brucellosis. Nevada does not have a large swine industry.

Also in the Animal Industry Division is livestock identification. One of the major advancements is livestock brand inspections. Livestock brand inspections have been performed in Nevada, up until very recently, the way that they have been for 100 years. We have really taken a giant step forward in creating an electronic inspection program. In March we will be unveiling our electronic brand inspection program. The significant change is the way we will monitor the movement of livestock. We will be able to monitor livestock in a way that we have never been able to do before. Normally a brand inspection is done, and it takes approximately two weeks by the time the inspection paperwork is completed with the brand inspector and sent to the Elko office to be filed. With the new program, the inspector will complete the paperwork using a web-based program and an iPad out in the field. This will produce the brand inspection slip that the industry needs to travel with and will provide for the collection of fees or create an invoice. This will require less staff time in the Elko office. When the inspection is completed and input into the system, that

vehicle's license plate number, the owner's name, and all pertinent information will come across on a reader line for enforcement officers. For instance, if the inspected vehicle is headed to Utah and an enforcement officer is sitting outside of Elko monitoring livestock travel or patrolling and they see that vehicle, they would not need to pull it over. They will know exactly when that inspection was done and can really focus on those vehicles that are not showing up in the system. Those vehicles may be moving illegally or without health papers. That is another way we are protecting the livestock industry as well as public health.

Chair Titus:

Will that information be able to be shared? What if the animals are heading to a slaughterhouse somewhere and we have to contact the slaughterhouse? Will that information be able to be shared with different states?

Jim Barbee:

Absolutely. That is one of the huge advantages. We will have the capacity for trace back. If trace back is required within 48 hours, with the volume of inspections that we do, it would be very difficult with our current system. With this new system we will be able to generate any reports necessary or query the database, because this information will be compiled in one spot. With the new system, we will be able to do trace backs and run reports that are beneficial to the industry. We could pick a two-week period and determine how many feeder calves were sold or transported in Nevada. We started field testing the program in October with one of our brand inspectors in the Elko area.

The last program in the Animal Industry Division is the Wildlife Services program. We have 7 employees who are funded through the General Fund, and work with 25 federal employees in Nevada. We work under a cooperative agreement under the authority of the U.S. Department of Agriculture Wildlife Services. Our folks are focused on protecting livestock from predatory animals. That program has been in existence for many years. They are able to monitor some of the wildlife that they are interacting with out in the rural areas and take samples we are able to test. This helps in monitoring of disease in wildlife and in livestock.

Assemblyman Ellison:

I have a question regarding the Nevada Highway Patrol inspection stops for trucks. We have to pull in there with horses and livestock when we are going from one end of the stop to the other. It is the same horses or livestock moving back and forth within a couple of miles. Why can they not come up with some kind of sticker or identifier that you could put on your rig so you could go through without stopping? Sometimes you could be stopped for hours.

Jim Barbee:

The system that I just described is going to give us the capacity to do that. If the livestock has already gone through inspection, it will show up on that enforcement officer's screen. The officer will have access to the inspection paperwork, and when he sees the license plate associated with that inspection he can just wave you through.

Assemblyman Ellison:

I think that is important because a lot of ranchers are moving cows back and forth and trailering their horses from one end to the other.

Another issue that we have is brand inspections on reservations. This has been a problem for many years. Some of the people want you to come on to the reservation and do brand inspections where they ship the cows, and others do not. The big problem that we have is these cattle are being transported out of state in the middle of the night and not being brand inspected. There has got to be some way to control this to prevent theft.

Jim Barbee:

I cannot emphasize enough what a big move it is for us to go digital. Our four enforcement officers have not been able to focus on the really important issues, because they are trying to track down and keep track of the inspection paperwork. They are also responsible for supervising the inspectors. A lot of this will go away with the new system. The enforcement officers will be able to focus more on investigations and problems we may have. The reservations have their own sovereign powers, but we can work with them to develop cooperative agreements so that we can help protect them where we can and vice versa.

Assemblyman Ellison:

I think that once those cattle leave the reservation they have to be checked. That is where the problem is coming from, and there are people on the reservation asking us to do this.

The last question I have is the same one I had last year, and is in regard to the measures at the gas pumps. Are we actually getting out and getting this done, or are we just putting stickers on pumps? This is important.

Jim Barbee:

I can confidently say that over the last two years we are getting this done. This is not just us saying we are getting it done, but with validation from the Nevada Farm Bureau Federation and the Nevada Cattlemen's Association. We are getting those inspections done, and when I get into that program, I will

talk some more about how we are getting it done. We have a new division administrator, and I will give you information on his background and experience later in my presentation.

That brings us to the Consumer Equitability Division. We have two programs here, petroleum technology and the weights and measures program. The petroleum technology program is where we test samples of fuel, or test the pumps to ensure the volume capacities are accurate and appropriate. Talking about the pumps, we want to really focus on where we know we have problems and monitor those since we cannot always be there. We want to verify in those places that we do not have problems and that things are operating the way they should be.

I would like to introduce Bart O'Toole, Administrator of the Consumer Equitability Division. Mr. O'Toole came to us from the Nevada Air National Guard, and we are very lucky to have him. He is retired after 30 years with them. Prior to that he was a rancher out and around Austin, Nevada. When he was in the military, he was involved with their version of measurements and standards. He comes with a great amount of experience and leadership.

The example would be places like Costco. They do certifications through a registered service agency (RSA), testing their pumps quarterly, to ensure that they are accurate. Not only are they making sure that they do not undercharge, they want to be right on the penny in terms of the volume of fuel, because that would cost them money. At the same time they are also ensuring that they are not over. In cooperative agreements that we can do with them and with their RSA, we can get those quarterly reports and ensure that they are accurate. That way we do not have to have an inspector go out to inspect those pumps once a year, but we may be able to go out and do spot checks and verify. That is when we would be able to label them, but we would have documented reference that they are accurate and the way they are supposed to be. The inspectors could spend more time checking pumps in more remote areas. I was in Austin, Nevada, four or five months ago and I stopped at a fuel station. One of the pumps had never had a sticker, which means it has never had an inspection. We have had Mr. O'Toole really focus on those places where we think we could have problems.

Regarding livestock scales, we have over 380 scales that are in some of the most remote areas of the state. In 2011 when I took this position, we had a Grain Inspection, Packers and Stockyards Administration rule. What that basically said was that every scale that livestock are being weighed on for sale has to be tested and certified within an eight-month period. We do all the mass

scales, each one every year by requirement. We are trying to get that eight-month period defined down.

We have changed the type of equipment we are using. We used to use big, very expensive \$200,000 to \$250,000 trucks to haul these weights out. We are now using still very expensive trucks, but they are Ford F-450 flatbed pickups with a diesel engine that cost \$50,000. We are taking them through some really harsh roads, and pulling a gooseneck trailer that has a Bobcat on it that can come on and off the trailer and actually move the 1,000-pound weights. It gives us more mobility in getting into the ranches, so that has been a big positive and has been very successful.

Secondly, we are trying to get seasonal employees. In the past we have had two inspectors going to test the remote scales. You have to have two people because it is so remote and because of the equipment and everything you are moving around. Instead of having a second fully trained inspector, we are looking at using seasonal employees who would ride along and help on the physical part of the job. The inspectors could then focus on the heavy workload that we have in the urban areas. Everything has to be tested: concrete hoppers, everything that is sold in mass, and scales they use on Pawn Stars to weigh gold and coins.

Next is the Food and Nutrition Division, our newest division. This has been a tremendous challenge for the agency, but it has been a very positive challenge. The staff that came in with the new food and nutrition program have fit in very nicely. They have been fantastic in handling the transition, and they are great employees and we are glad to have them. That program oversees the Child and Adult Care Food Program, Child Nutrition Commodity Program, Commodity Supplemental Food Program, the State Dairy Commission that came in from the Department of Business and Industry, disaster feeding programs, the Emergency Food Assistance Program, Food Distribution Program on Indian Reservations, Fresh Fruit and Vegetable Program, National School Lunch Program, Nutrition Services Incentive Program, and School Breakfast Program.

When you look at our agency, we are roughly 82 percent federally funded. The largest percentage of those funds come into the agency through the food and nutrition program, and then go back out to these different programs and different populations that we are serving. We have also taken what used to be a contract for dairy testing. When they built our new building in Sparks, they built a dairy laboratory in the building. Once we started setting up the dairy laboratory, we realized that the equipment and the work that they would be doing is greater than the size or capacity that we had in the dairy laboratory. We had to swap the dairy laboratory for the seed laboratory. The testing

requirements have increased due to the milk powder plant that went into Fallon. We are still about 15,000 cows short of hitting full capacity, so we are bringing milk in from California to meet that need. We have dairies that are currently under construction and development that will help close that gap. That has given us a greater need in terms of testing. We have had the U.S. Food and Drug Administration (FDA) involved in certifying and reviewing that laboratory. It is our hope that we will be able to do more food safety inspection testing for the state in the future. We have been able to create some tax savings for the dairy programs and for the dairy industry itself.

I think that we provided a tremendous uptick in the amount of promotional opportunities that we are able to provide for the child nutrition and food commodities programs, and so all and all it has been very positive. I will take questions on the Food and Nutrition Division if there are any.

Chair Titus:

My district has many, many dairies, and it is a really relevant issue for our area. Are there any questions for Director Barbee? [There were none.]

Jim Barbee:

The Plant Industry Division is one of the founding divisions that we have at the Department of Agriculture. One of the programs that we have is environmental services, and there we manage a U.S. Environmental Protection Agency grant, where we monitor groundwater for pesticides. The good news is that we have tremendously clean, good water in the state, as one of my chemists is constantly telling me. We have very little to no pesticide residue.

We also have our entomology program in this division. The state entomology collection is at the Sparks headquarters. We encourage you to take the opportunity to come visit us in Sparks. We will give you the grand tour; it is pretty impressive. I believe they have over 300,000 specimens collected, categorized, and filed away in that facility alone. One of the big pieces that the entomology program does is monitor for bug infestations that may damage agricultural crops. They also cross over into the public health realm and some of the bug issues that we have there. We also have the Mormon cricket program, which is a federally funded program. The Mormon cricket outbreaks go in cycles and tend to increase as we are coming out of a drought. We may see something coming up on the Mormon crickets fairly soon.

This division also includes the export certifications program and the good agriculture practices program. The good agriculture practices program is designed to help producers adjust to the rules of the FDA Food Safety Modernization Act that was signed into law in 2011. The rules were supposed

to be posted in October of 2014; they still have not been posted as final rules, so we are waiting on that. The final rules are going to have a tremendous impact on the agriculture industry and on the food manufacturing industry in the country. The good agriculture practices program staff will work with local producers to help them prepare for the food safety testing requirements that are coming.

Assemblyman Ellison:

We got federal funding several years ago for the Mormon crickets. Where are we on that funding, and is it still available? A lot of people do not realize the impact that had in rural Nevada. I spent a lot of time trying to get funding to fight the Mormon crickets. The crickets were even coming into the hospital.

Jim Barbee:

We have money that was designated for the cricket issue. The money is rolling over year after year, so we have money on hand so that we can react. We have a supply of resources that we keep at the ready. We have one full time employee and some seasonal folks that are doing the monitoring for the Mormon crickets. Currently, we have more federal trucks than we actually have people. The sooner that you react to this kind of outbreak, the better handle that you can get on it. Once we get a breakout, we have the capacity to immediately use those funds to hire more seasonal employees and to obtain the product that they use to spray to control the cricket populations. We can give you an update after this on what kind of funding is in our budget.

Chair Titus:

Speaking of budget, did you say that 82 percent of your budget is federally funded?

Jim Barbee:

Correct. We are 82 percent federally funded, 2 percent General Fund, and the rest is fees or other.

Next is our noxious weeds program. We have seen an expansion in the last couple of years of this program into more invasive plant species. We are trying to assist the Sagebrush Ecosystem Council in the work that they are doing in trying to keep the sage grouse from being listed on the endangered species list. Through raising the pesticide registration fee by \$25, those funds are being used for on-the-ground work to support the control of invasive plant species. They have gone out to conservation districts, and we have been able to hire some seasonal employees to do some direct projects on the ground. We are at the very front of that process, but we foresee that being a big piece in terms of trying to help keep the sage grouse from being listed. We are also working with

our producers to make sure they are doing things right and doing things that are beneficial to livestock and at the same time beneficial to the sage grouse.

One of the things that we have developed in this program is an app for noxious weeds. Any citizen can download the app onto their phone. They can be out and about and identify what they think is a noxious weed, take a picture of it, input it in that application, and it comes to one of our staff members. They review the picture and the location and confirm or deny that it is a noxious weed. If they confirm that it is a noxious weed, it is uploaded into the state's system. That is how we are able to use citizens to help us map where we have noxious weed problems. Phase 2 of the project is a second app for livestock producers to use to do some of their own range monitoring on their property or on their federal lease ground. They can take pictures and provide descriptions; they own the information, but we can see where there are issues on a large-scale map. They can also produce their own maps for working with federal agencies to help improve their range conditions. The conditions may not have been monitored in many years, and this app gives the producer a tool to use. We are hoping to have the app available by the end of March and may be able to demonstrate it for the Committee if you are interested. We are very excited with the work we have been able to accomplish.

To continue, we have our nursery inspection programs and our organic program. Organic food is a growing market and a value-added marketing opportunity in the state. We continue to see great demand for organics in the urban markets.

We have our pest control licensing program and plant pathology program. People can bring in any kind of plants that they are having difficulty with, and our state plant pathologist can look at the plant and identify any plant diseases that may be there. We are also continuing to do the producers certificates, and we are getting our seed certification program up and running again. We have had a change in staff over the last six months so that program has been sitting idle. We just hired a person into that position. We are going to be reaching out to the Department of Wildlife and the Division of Forestry of the State Department of Conservation and Natural Resources to coordinate some of the seed issues that they have had in the past. Finally, we have our Specialty Crop Block Grants, which are federal grants through the Farm Bill [Agricultural Act of 2014]. We award these each year to promote specialty crops such as fruits, vegetables, tree nuts, and nursery crops.

Chair Titus:

Are there any questions?

Assemblyman Carrillo:

I have a question regarding the petroleum weights and measures. There is something on YouTube that shows a gas pump running when it is turned off, and recently somebody in Las Vegas showed the same thing on Facebook. I have told my constituents to get in touch with you. I doubt that they ever went through the process, but is that something that you ever run across?

Jim Barbee:

That is an example of where it worked. Absolutely. They did reach out and we did get involved. We did some press releases defining what had happened and sent inspectors out to look at the pump and got the issue resolved. I believe it was a mechanical failure in the pump. I can bring Bart O'Toole up and he can give you a two-minute rundown on what happened and specifically how we dealt with it.

Bart O'Toole, Administrator, Division of Consumer Equitability, State Department of Agriculture:

We did get that complaint via the media. I would like to say that when we get a complaint via the media, we have already lost the media war. We have changed the sticker, and now we have a Quick Response (QR) code on the sticker. This makes it much easier to get in touch with us. We had an inspector go out to that pump immediately. Complaints are our number-one priority, and the fuel station in question had already fixed the problem before our inspector got there. The process did work although we lost the war on YouTube. But we did have three Las Vegas television stations who interviewed us, and we got some very good press. We were very happy to work with them, showing what Consumer Equitability does in testing the gas station pumps. Are there any other questions?

Assemblyman Carrillo:

A lot of times people want to call the media and get that exposure. I direct people to the Nevada Department of Agriculture.

Assemblyman Ellison:

We called about some pumps by Winnemucca. People were filling up their gas tanks, and when they hung up the pump it would click to another penny. I went in and asked the manager, and he said it calculates as it is going. It is not supposed to be calculating when it is turned off. I want to ensure that you are looking at these pumps and checking them before we put stickers on them, because out in the rural areas it is happening quite a bit.

I have a question about a chemical you were working on last year to help get rid of whitetop. In Fernley, Fallon, and Elko this is a pretty heavy issue. Is there

something more that is out there that you are doing to control whitetops?
Are you just burning them now or still using the same old chemicals?

Jim Barbee:

Dawn Rafferty will be able to answer your question.

Dawn Rafferty, Administrator, Plant Industry Division, State Department of Agriculture:

Chemically, I do not believe there is much new on the front, but we are looking at some fungus that looks like it could be a biological control. Right now we are using the same methods that we used previously in terms of chemicals.

Assemblyman Ellison:

The only way we are getting rid of the whitetops now is by burning them. Unless you can get it before it goes to seed, you are not doing any good with the chemicals. Is that correct?

Dawn Rafferty:

There are the same kind of constraints, burning is one chance, but we do still have some chemicals if you get it early on, 2,4-D works well. Once it has gone to seed you can use a preemergent if you are in a place that has enough open ground. There are a multitude of ways that we can try to get rid of it.

Assemblyman Ellison:

Some of the irrigation canals by Fernley and Fallon were covered with them. It seems like once they hit seed, then we are in trouble.

Dawn Rafferty:

It is definitely a huge problem. It is one of our focuses, but we also recognize that we really want to focus on the invasive species plants that have not quite gotten here yet. Where we can fight the war with tall whitetop, we do the best we can.

Chair Titus:

Are there any further questions? [There were none.] Is there any further information you can share with us?

Jim Barbee:

We look forward to working with you. Do not hesitate to contact me or my staff if we can provide further information. You are always welcome to come take a tour of our Sparks office.

Chair Titus:

Now I am going to open the hearing on Assembly Bill 35.

Assembly Bill 35: Makes various changes relating to vessels. (BDR 43-363)

Robert D. Haughian, Administrator, Operations Division, Department of Wildlife:

I am the Administrator from the Operations Division, Department of Wildlife. With me is Captain David Pfiffner. He is a game warden from our Las Vegas office. He is the state's boating law administrator, and we are here to address Assembly Bill 35. In the Nevada Electronic Legislative Information System (NELIS) you have a brief information paper ([Exhibit G](#)). I would like to walk through that quickly if I may.

The Department of Wildlife holds the responsibility for boating registration, titling, education, safety, and enforcement. Depending upon the number of boats that we register annually, we get federal funding ranging from \$800,000 and up. That funding is used for boating education, law enforcement, navigational aids, and boating administration. This last year we registered almost 45,000 boats. Approximately 50 percent of those boats are out of Clark County, and approximately 25 percent are in Washoe County, and the rest are distributed throughout the state.

Assembly Bill 35 addresses requirements driven by the U.S. Coast Guard in the *Code of Federal Regulations*, Title 33, Section 174.16 and 33 CFR Part 181, Subpart C. Section 174.16 is verification of hull identification numbers (HIN), which are similar to a vehicle identification number (VIN). This section directs that before we take any action related to a vessel that was imported or manufactured on or after November 1, 1972, we must determine whether the vessel has a HIN meeting the requirements of 33 CFR Part 181, Subpart C. If we determine that vessel does not have a HIN meeting the necessary requirements, we have to assign a HIN to that vessel and have the owner verify that the HIN is located on the boat and in the proper format. If you are familiar with VINs on vehicles, they have a sequence and the characters mean certain things. That is the same with a HIN. It addresses the manufacturer's serial number and the month and year of production. Our issue process is, if a boat does not have an existing HIN, then we assign a HIN to the boat, record it in our data system, and we affix it to the vessel. Then vessel owners will be required to verify in writing that the HIN is affixed to the vessel and is properly formatted when they renew their registration or when they transfer ownership of that vessel.

I am sure one of the questions would be about how big is this issue. Depending on how far back we look in our data set, we anticipate that there are 400 to

possibly beyond 1,000 boats that do not have a compliant HIN. It is a small percentage, but it is still a number that we are interested in resolving to be compliant with Title 33. An example of a HIN that would be out of compliance is a vessel manufactured in earlier years with a HIN formatted under a previously authorized HIN scheme. The HIN requirement has been around in various stages since 1972. Sometimes we will see HINs that are erroneously recorded or HINs that are 11 characters or less, versus 12.

If this bill is not adopted, then we run the risk of being noncompliant with the U.S. Coast Guard, and the funding that I just addressed is in jeopardy. With the passage of the bill we have a couple of other steps that we have to go through. We anticipate some regulation changes and some programming changes to our database. With the passage of this bill, we will be in compliance to meet the implementation date requirement of this regulation, which is January 2017.

Assemblywoman Carlton:

Since I am on the Assembly Committee for Ways and Means, I am going to look at this from the money side. I am going to try to figure out the next steps. You think you have up to 1,000 boats you might need to reach?

Bob Haughian:

That is correct. It may be beyond that.

Assemblywoman Carlton:

How much time does it take your personnel to actually go through this with the renewals or the initial applications? Are you going to need more staff to be able to get this done?

Bob Haughian:

We have been doing this for quite some time, and the process is normally pretty quick. A good portion of our boat registrations are done through the mail or online. I would say primarily online and that process is very quick. We do not anticipate that we will need more staff.

Assemblywoman Carlton:

Do you anticipate a fee increase associated with this?

Bob Haughian:

I do not believe we do.

Assemblywoman Carlton:

I just wanted to make sure that we did not put ourselves in a position where you needed to come to the next Interim Finance Committee and request more people. So I always like to ask ahead of time.

Chair Titus:

Are there any other questions?

Assemblyman Oscarson:

How many vessels are currently licensed in the state of Nevada?

Bob Haughian:

I cannot tell you because we are currently into the new boating season. But this last year we registered almost 45,000 boats.

Assemblyman Oscarson:

Not doing this jeopardizes your funding from the U.S. Coast Guard grant?

Bob Haughian:

That is correct.

Assemblyman Oscarson:

If I missed it, I apologize. How much was that again?

Bob Haughian:

The grant total? Depending on the number of boats that are registered annually, between \$800,000 and \$1,000,000 plus.

Chair Titus:

Are there any other questions? [There were none.] Is there anybody in the audience that would like to speak on this bill? [No one responded.] Is there anybody in Las Vegas that would like to speak on this bill? [No one responded.]

We will schedule a work session on this at a later date. At this time we will open up to public comment. [No one responded.] Any public comment in Las Vegas? [No one responded.] This meeting is adjourned [at 2:07 p.m.].

RESPECTFULLY SUBMITTED:

Donna J. Ruiz
Committee Secretary

APPROVED BY:

Assemblywoman Robin L. Titus, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Natural Resources, Agriculture, and Mining

Date: February 5, 2015

Time of Meeting: 1:05 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	State Department of Agriculture	Video Presentation
	D	State Department of Agriculture	Overview of State Department of Agriculture
	E	State Department of Agriculture	Economic Analysis of the Food and Agricultural Sector
	F	State Department of Agriculture	2014-2015 Biennial Report
A.B. 35	G	Department of Wildlife	Testimony