

**MINUTES OF THE MEETING OF THE
SENATE COMMITTEE ON FINANCE
AND
ASSEMBLY COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEES ON GENERAL GOVERNMENT**

**Seventy-Eighth Session
April 16, 2015**

The meeting of the Subcommittees on General Government of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair Pete Goicoechea at 8:02 a.m. on Thursday, April 16, 2015, in Room 2134 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Pete Goicoechea, Chair
Senator Michael Roberson
Senator Joyce Woodhouse

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblyman Randy Kirner, Chair
Assemblyman Pat Hickey, Vice Chair
Assemblyman D. Paul Anderson
Assemblywoman Irene Bustamante Adams
Assemblyman Chris Edwards
Assemblywoman Heidi Swank

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Stephanie Day, Principal Deputy Fiscal Analyst
Adam Drost, Program Analyst
Andrea McCalla, Program Analyst
Emily Cervi, Committee Assistant
Trish O'Flinn, Committee Secretary

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OTHERS PRESENT:

Jim R. Barbee, Director, State Department of Agriculture
Gustavo Nuñez, P. E., Administrator, State Public Works Division, Department
of Administration
Jim R. Wells, C.P.A., Chief, Budget Division, State Department of
Administration
Dale Hansen, Fiscal Administrator, State Department of Agriculture
Donnell Barton, Administrator, Division of Food and Nutrition, State Department
of Agriculture

Chair Goicoechea:

We will start the hearing with the Department of Administration, budget
account (B/A) 101-1302.

FINANCE & ADMINISTRATION

ADMINISTRATION

Judicial Coll & Coll of Juvenile & Family Justice — Budget Page ADMIN-12
(Volume I)
Budget Account 101-1302

Andrea McCalla (Program Analyst):

The first budget is the National Judicial College (NJC) and the National College
of Juvenile and Family Court Judges (NCJFCJ), located on the campus of the
University of Nevada, Reno. The NJC and NCJFCJ are nonprofit organizations
providing judicial education and training. There are no major closing issues. A
history of State funding for the NJC and NCJFCJ over the past several biennia,
as well as the funding level recommended in the Executive Budget for the
2015-2017 biennium is on page 3 of the "General Government Joint
Subcommittee Closing List 1" ([Exhibit C](#)).

Assemblyman Edwards:

When staffing for the NJC and NCJFCJ was higher, they were successful in
obtaining federal grants. Would it be better to increase the State funding to this
budget so they could more ably secure money for the State?

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Chair Goicoechea:

Are you suggesting we add more positions to this budget?

Assemblyman Edwards:

More positions equal more money.

Ms. McCalla:

The Judicial College has received the same level of funding since fiscal year (FY) 2012. The contributions, grants and federal funds generated with the assistance of State funding does not correlate directly to the amount of State money given to this nonprofit organization.

Assemblyman Edwards:

The table at the bottom of page 3 of [Exhibit C](#) indicates that in FY 2013 they obtained over \$6 million and in FY 2014 just over \$7 million. The amount in FY 2015 decreased to \$6.3 million. It is projected to continue to decrease.

Chair Goicoechea:

This is not a State agency, it is a nonprofit. The money they generate from other sources is not available to the State.

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE B/A 101-1302 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT STAFF AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Chair Goicoechea:

The next item is B/A 716-1371.

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Administration - Administrative Services — Budget Page ADMIN-113 (Volume I)
Budget Account 716-1371

Ms. McCalla:

The Administrative Services Division (ASD) provides fiscal and administrative support to the divisions of the Department of Administration, as well as fiscal services to the State Board of Examiners, Office of the Governor, Governor's Mansion, Agency for Nuclear Projects, Office of Energy, Nevada Wing Civil Air Patrol, Committee on Deferred Compensation for State Employees, Commission on Ethics, Commission on Judicial Discipline and the Nevada Commission for Women. Beginning in FY 2016, the Executive Budget recommends the ASD provide fiscal and support services to the Office of the Lieutenant Governor. The ASD is funded entirely through an administrative assessment charged to other divisions within the Department of Administration and the other agencies utilizing its services.

There is one major closing item in this budget, the Division of Enterprise Information Technology Services (EITS) programming costs. The Governor recommends administrative assessment funding totaling \$156,250 and reserve funding totaling \$27,191 over the 2015-2017 biennium to fund programming costs to upgrade the Nevada Project Accounting System (NPAS) in decision unit E-226.

E-226 Efficient and Responsive State Government — Page ADMIN-115

The NPAS was built in 2005 and is used to track Capital Improvement Program (CIP) projects. The ASD indicates the system needs to be updated to be compatible with the new version of Internet Explorer. The NPAS exports data into the Advantage System and allows ASD to track costs over multiple years. There is no new functionality planned with the upgrade and no additional maintenance costs are associated with the upgrade. This recommendation appears reasonable to staff.

ASSEMBLYMAN KIRNER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-226 OF B/A 716-1371 AS RECOMMENDED BY THE GOVERNOR.

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SENATOR WOODHOUSE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. McCalla:

There are other closing items in B/A 716-1371. Decision unit E-225 is a position reclassification of a vacant account technician position to a budget analyst position. Decision unit E-227 is increased customer service and accounting training for the ASD. Decision unit E-710 is replacement computer equipment. Decision unit E-720 is a request for new scanners. However, the ASD does not need this equipment until the next biennium. Accordingly, Fiscal Analysis staff has made a technical adjustment to eliminate this decision unit. The new services for the Office of the Lieutenant Governor are in decision unit E-800. Cost allocation adjustments for the Department of Administration, Director's Office, and the Division of Human Resource Management (DHRM) are recommended in decision units E-801 and E-804, respectively. These recommendations appear reasonable to Staff with the elimination of decision unit E-720.

E-225 Efficient and Responsive State Government — Page ADMIN-115

E-227 Efficient and Responsive State Government — Page ADMIN-116

E-710 Equipment Replacement — Page ADMIN-116

E-720 New Equipment — Page ADMIN-117

E-800 Cost Allocation — Page ADMIN-117

E-801 Cost Allocation — Page ADMIN-118

E-804 Cost Allocation — Page ADMIN-118

Assemblywoman Bustamante Adams:

Are the scanners being eliminated?

Ms. McCalla:

Yes.

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SENATOR WOODHOUSE MOVED TO RECOMMEND TO THE FULL COMMITTEES THAT B/A 716-1371 BE APPROVED AS RECOMMENDED BY THE GOVERNOR, WITH THE TECHNICAL ADJUSTMENT TO ELIMINATE DECISION UNIT E-720 AND TO GRANT AUTHORITY TO STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Chair Goicoechea:

Next is the Deferred Compensation Committee budget, B/A 101-1017 which is on page 43 of [Exhibit C](#).

SPECIAL PURPOSE AGENCIES

DEFERRED COMPENSATION

Deferred Compensation Committee — Budget Page DEFERRED COMP-3
(Volume III)

Budget Account 101-1017

Stephanie Day (Principal Deputy Fiscal Analyst):

The Nevada Deferred Compensation Program is a voluntary, tax-deferred supplemental retirement savings program for employees of the State of Nevada and other local government employers. There is one major closing item in this account which is the request for a new administrative assistant position to replace contract administrative personnel in decision unit E-250. The temporary services contract expenditure was eliminated in the adjusted Base Budget. Staff has made technical adjustments to reinstate the temporary services contract expenditure in the adjusted Base Budget with a corresponding elimination in this decision unit effective October 1, 2015, which is reflected on page 43 of [Exhibit C](#). This request appears reasonable to Staff.

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E-250 Efficient and Responsive State Government — Page DEFERRED COMP-5

Assemblywoman Bustamante Adams:
Where is this person housed?

Ms. Day:
This position is housed in Carson City.

Chair Goicoechea:
Is the proposed change from contract services to a 0.75 full-time equivalent position?

Ms. Day:
Yes. The other closing items in this budget include cost allocation in decision unit E-804, and a change in the reserve level. The Executive Budget recommends a reserve level at the end of the 2015-2017 biennium of \$17,951, which is a significant reduction from the FY 2014 actual reserve level of \$125,812. The Agency testified they successfully negotiated a decrease in the investment consultant contract by \$20,000 per fiscal year. Staff has made a technical adjustment to decrease the investment contract with a corresponding increase to the reserve in the Base Budget. The revised reserve level at the end of the 2015-2017 biennium is projected to be \$57,951, which is approximately a 65-day reserve.

E-804 Cost Allocation — Page DEFERRED COMP-5

ASSEMBLYMAN KIRNER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE B/A 101-1017 WITH THE TECHNICAL ADJUSTMENTS MADE TO DECISION UNIT E-250 AND THE RESERVE LEVEL, AND TO GRANT AUTHORITY TO STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Chair Goicoechea:

We will now begin with the State Department of Agriculture (NDA) budgets, starting with B/A 101-4554.

COMMERCE AND INDUSTRY

DEPARTMENT OF AGRICULTURE

AGRI - Administration — Budget Page AGRICULTURE-5 (Volume I)
Budget Account 101-4554

Adam Drost (Program Analyst):

The Administration Division provides accounting, payroll, fiscal, planning and other support services to the NDA. The first major closing issue is the Metro Building renovation, page 9 of [Exhibit C](#). Although not reflected in the Executive Budget, the NDA has requested the Subcommittees consider authorizing the allocation of \$632,969 in FY 2016 to fund renovation projects on the Metro Building in Las Vegas, which would allow the NDA to move out of its existing building and occupy the Metro Building. The Department of Administration's State Public Works Division's (SPWD) requested 2015-2017 CIP budget included a \$7.7 million project for improvements for this building to accommodate NDA and SPWD Buildings and Grounds (B&G) staff. That request included the installation of a new roof, fire sprinkler system, carpet and a mezzanine level above the high bay storage area. That project was not included in Governor Brian Sandoval's recommended CIP, however, funding of \$253,752 was included for minimal repairs to the building which would allow State B&G staff to temporarily move into the Metro Building from their nearby existing location, which must be demolished to accommodate construction of the new Sahara Department of Motor Vehicles (DMV) office. The NDA and the Department of Administration's Budget Division request a revision to this plan by moving the NDA staff into the Metro Building and moving B&G staff into the NDA's existing building. The NDA would assume ownership of the

Metro Building, while B&G would assume ownership of the existing NDA building.

In addition to housing NDA staff, the Metro Building has warehouse space that could be used to store food for its Commodity Food Program (CFP) and an area for the Division of Consumer Equitability to conduct testing. The cost allocation requested would only include those NDA budget accounts that would utilize space within the Metro Building. The table on page 9 of [Exhibit C](#) lists the budget accounts and the amounts cost allocated to each.

The planned renovations, the phases of the project and the cost of each are in a table on page 10 of [Exhibit C](#). Fiscal staff notes that the SPWD prepared a facility condition analysis report in 2012, which identified repairs totaling \$918,975 for the Metro Building. The facility condition analysis is a planning level document to identify Americans with Disabilities Act (ADA) upgrades, renovations and maintenance needed for staff to occupy the Metro Building. The NDA appears to have considered most of these repairs in its stated plan; however, some suggested repairs such as building insulation and carpet replacement do not appear to be included in the NDA's current planned improvements for the building, but would occur in future biennia.

As the Subcommittees may recall, during the NDA's budget hearing on February 4, 2015, the metrology laboratory in southern Nevada is unable to be recertified by the National Institute of Standards and Technology (NIST) due to a lack of temperature control and a rail system to bring heavy weights into the building. The NDA is currently able to test commercial scales, fuel pumps and fuel quality in the Las Vegas area; however, they are unable to certify weights for registered service agents due to the lack of a certified metrology lab. The NDA indicates the Metro Building could be certified by NIST approximately 45 days after the remodel is complete.

Fiscal Staff questioned the NDA on the need to move into the Metro Building instead of waiting to include the Metro Building in a future CIP. By moving into the building, the NDA indicated it would retain ownership of the property housing its Las Vegas staff, which would cost less than moving into leased or B&G-owned property. In addition, the NDA indicates the Metro Building has space to store dry food for its CFP, which would allow them to terminate its use

of private warehouse space in Las Vegas in FY 2017. According to the Executive Budget, the cost of this leased warehouse space is projected to be \$59,215 in each year of the 2015-2017 biennium. Do the Subcommittees wish to approve the NDA's request to renovate and assume ownership of the Metro Building in Las Vegas? If approved, fiscal staff requests authority to eliminate the cost of leased warehouse space in FY 2017 from the CFP budget and enter any necessary technical adjustments.

Chair Goicoechea:

There are some questions the Subcommittees must consider as we contemplate this request. The aerial photograph, ([Exhibit D](#)), shows the current locations of the B&G and NDA sites, as well as the Metro Building and the current and proposed DMV locations. The Sahara DMV office has to be moved. The current location cannot handle the volume of traffic; there are 2-hour wait times and staff is scheduled to work 2 hours after closing to accommodate current demand. However, the Las Vegas Metropolitan Police Department did not return the Metro Building to the State because it was a great building. What would be the duration of the occupancy NDA is anticipating in the Metro Building?

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

Our intention is to occupy the Metro Building in excess of 10 years. The proposals we have put forward include a new, 20-year roof. The building we currently occupy was built in the 1940s. It has been modified in the past, but we cannot improve or increase it any further.

Chair Goicoechea:

How many staff members are in the present NDA building?

Mr. Barbee:

There are approximately 20 staff members. The petroleum laboratory is functional, but can only accommodate one person working at a time. The biggest issue is the lack of a metrology lab. Las Vegas is the largest commerce center of the State and we cannot do any weight certifications in southern Nevada. Weights must be shipped or driven to the Department's metrology laboratory in Sparks.

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Chair Goicoechea:

How many staff members are in the metrology laboratory?

Mr. Barbee:

There is one position that has been vacant due to the lack of a laboratory.

Chair Goicoechea:

The Subcommittees will remember from the February 4 meeting that a functioning metrology laboratory in southern Nevada would be a source of income for the State. If NDA does not move forward with the exchange of buildings, where does B&G go?

Gustavo Nuñez, P. E. (Administrator, State Public Works Division, Department of Administration):

The original plan was to remodel part of the Metro Building to accommodate B&G on an interim basis. That project has been allocated \$253,752 in the current CIP budget.

Chair Goicoechea:

If the renovation of the Metro Building for NDA, and the associated exchange of buildings with B&G, does not occur, would the SPWD move forward with that project?

Mr. Nuñez:

That is correct.

Chair Goicoechea:

If the NDA moves into the Metro Building, will B&G be able to move into the existing NDA building at no or little cost?

Mr. Nuñez:

Yes, at very little cost.

Chair Goicoechea:

The NDA will sweep funds and reserves to generate the \$632,969 to renovate the Metro Building. Will that amount be sufficient?

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Mr. Nuñez:

I received this proposal last night. I would need time to look at it before I could comment.

Chair Kirner:

The 2012 analysis projected costs for repairs at \$918,975. The current proposal is for less extensive work, but it would not be managed by the SPWD. Is that the best way to achieve this project?

Mr. Nuñez:

As a public service agency, we help meet needs. We would help if asked.

Chair Kirner:

Would the SPWD costs be higher?

Mr. Nuñez:

I cannot answer that without further study of the proposal.

Mr. Barbee:

The NDA proposal utilized information from SPWD. Various options were considered, including a lease/lease back of new construction that would have cost \$8 million to \$10 million with \$500,000 a year for leased space. The investment of \$630,000 will save money for NDA and the State over the long-term. The SPWD has spent the last 2 years working on an extensive plan to reconfigure the Metro Building. The NDA plan does not include all the components identified by SPWD, but focuses on ensuring the building is ADA compliant, habitable and the metrology laboratory meets NIST certification. The NDA has worked closely with B&G to develop this plan, specifically focused on phase I.

Chair Kirner:

If you have been working closely with B&G and SPWD, why does Mr. Nuñez testify he only received this plan last night? Is this the building that SPWD almost condemned because of a core sample?

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Mr. Nuñez:

The original plan was for B&G to occupy a small portion of the building and we were looking for another agency to occupy the rest of the building. The NDA proposed occupying the rest of the building. The project was expanded to include the NDA laboratories and office space. As the project grew, the laboratories were proposed for the high bay storage area of the Metro Building. The soil tests in that section indicated a need for additional structural modifications that increased costs to the same level of constructing a new building. That was for the complete remodel of the building. The NDA proposal is a different, more modest, project.

Chair Kirner:

The renovation is proposed to last for 20 years. That is a big project.

Mr. Nuñez:

Yes, it is.

Assemblyman Edwards:

What is the square footage of the two different building?

Mr. Barbee:

The current NDA building is approximately 5,000 square feet; the Metro Building is approximately 15,000 square feet.

Assemblyman Edwards:

Is the current NDA building one story and the other two or three stories?

Mr. Barbee:

The current NDA building is a single story; the Metro Building is a single story with a warehouse at one end with side walls between 16 and 18 feet tall. That would allow NDA to put in a warehouse with a stacking area for pallets.

Assemblyman Edwards:

Connecting the water main to the municipal water system is listed as part of Phase I of the project. How far is the water main from the municipal water line?

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Mr. Barbee:

To add a sprinkler system to the building, a larger diameter water main must be connected to the building.

Assemblyman Edwards:

I always understood those can be expensive projects. The total funding allocated for Phase I is \$270,000, which also includes a contract for janitorial services, landscaping services, ADA compliance and a new roof.

Mr. Barbee:

We have already received triple bids from State-approved contractors for Phase I projects.

Assemblywoman Swank:

If B&G occupied the Metro Building, would it be more expensive than if NDA occupied the building?

Mr. Barbee:

The original project was a remodel of the Metro Building that included SPWD, B&G and NDA in the same building. That plan cost too much so it was scaled back to include only B&G. The NDA then proposed the current plan to house the laboratories, 20 staff and the commodities warehouse. It is a long-term solution that will result in General Fund savings because warehouse rent and office rent could be eliminated or avoided.

Assemblywoman Swank:

Does this plan encompass a long-term strategy of utilizing the Metro Building for the NDA, and a long-term strategy for B&G to use the building that currently houses the NDA?

Mr. Barbee:

I cannot answer for B&G, but that is true for the NDA.

Chair Goicoechea:

How long would the existing NDA building serve B&G?

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Mr. Nuñez:

The building would accommodate B&G and, once the current lease for the Las Vegas SPWD office expires, that unit could be moved into the building with a minor remodel for a minimum of 10 years.

Chair Goicoechea:

That sounds reasonable, but I want assurance that the remodel of the Metro Building, as proposed, is sufficient for the purposes of the laboratories and warehouse and can be accomplished for the cost quoted. We will not close this budget today; we will send it to the full Committees for closing.

Chair Kirner:

What happens to the \$253,752 allocated to the B&G CIP project if the cost allocation for the NDA proposal is approved?

Jim R. Wells, C.P.A. (Chief, Budget Division, Department of Administration):

There are a number of moving parts. To ensure that construction of the new DMV office remains on schedule, the existing building housing B&G must be demolished. There is intent to repurpose the \$253,752.

Chair Goicoechea:

If the \$253,752 is the piece that makes this proposal work, I hope that will be considered as well.

Mr. Wells:

There will be a meeting this afternoon among the various agencies involved to determine the best course of action. There is another project in southern Nevada that may be terminated, and that possibility will be added to the discussion.

Assemblywoman Bustamante Adams:

I understand that the various projects are in flux. The photograph provided, [Exhibit D](#), is helpful, but I would like to have the square footage for each building and who is moving where added to the visual aid.

Chair Goicoechea:

None of the Subcommittees' members have been to the Metro Building site except for Assemblywoman Swank. Do you think it should be saved?

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Assemblywoman Swank:

It seems to be a useful building. It is not falling down. I will tour the building this weekend.

Chair Goicoechea:

We will move to the next closing issue in B/A 101-4554.

Mr. Drost:

The second major closing issue is a new public information officer (PIO), decision unit E-227.

E-227 Efficient and Responsive State Government — Page AGRICULTURE-7

The Governor recommends funding of \$59,537 in FY 2016 and \$69,572 in FY 2017 for a new PIO position, which includes General Fund appropriations of \$13,064 in FY 2016 and \$15,266 in FY 2017. This position would implement social media and produce videos. Previously, the NDA used a temporary contract position to develop 53 videos. As noted during the NDA's budget hearing, there are four existing marketing and public information positions including another PIO, a marketing coordinator, a literacy coordinator and an education and information officer. The table on page 12 of [Exhibit C](#) compares the number of PIO positions in other State departments. When asked about the need for this position, the NDA indicated the demand for public information services has increased since the original PIO position was approved by the Legislature in 2013. This is due to the creation of the Food and Nutrition Division in the Department and the outreach and education efforts associated with the Division and its various programs, as well as increased public records requests and a growing number of complaints about feral and stray horses on the Virginia Range. The NDA indicates that if this position is not approved, the existing PIO would assume the responsibilities identified for the proposed PIO position. If this new position is approved, fiscal staff requests a technical adjustment for this decision unit to eliminate a new workstation and iPad which the NDA confirmed is not needed.

Senator Woodhouse:

There is an existing PIO, a marketing coordinator and three other positions. I cannot support the addition of this position.

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Assemblyman Edwards:

What would the new PIO be doing in addition to what is already being done?

Mr. Drost:

The NDA indicated this position would be geared toward videography services and producing online videos.

Assemblyman Edwards:

This does not strike me as the highest of priorities.

Chair Goicoechea:

The NDA has made an impact with the Nevada Grown and the Nevada brand, advertising and selling Nevada products. The production of videos for schools and social media detailing nutrition has been very important.

Assemblyman Edwards:

What is the distinction between the PIO and the marketing coordinator?

Mr. Barbee:

They have very different roles. The NDA marketing coordinator is specifically, and almost singularly, focused on exports. Nevada exports over \$100 million a year in agricultural products. The marketing position manages the Western United States Agricultural Trade Association (WUSATA) representation for Nevada, works with businesses to travel abroad and brokers trade deals. The marketing position does not work with the press or create videos. It is a direct business coordination and marketing of Nevada agricultural products internationally. The marketing coordinator is also responsible for managing the Buy Nevada program. The second PIO position would do the videography for the Buy Nevada program and videos about new regulations related to the plant industry or the Food Safety Modernization Act, and create educational videos regarding child nutrition and other educational materials.

Chair Kirner:

If this new PIO position was approved, would it report to the existing PIO? If so, would that represent a cost increase from a promotional perspective or upgrading that position?

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Mr. Barbee:

No. The current position is a PIO II which can supervise a PIO I.

Chair Kirner:

Do you view this position as a necessity?

Mr. Barbee:

It is a necessity. We have had to hire temporary contract staff in the past. It is not new work.

Chair Kirner:

It sounds like another marketing position more than a PIO position.

Mr. Barbee:

The position would be focused on video production and using new media and social media to reach the public and national and international markets.

Chair Kirner:

What return on investment do you anticipate?

Mr. Barbee:

Agriculture is important to the State of Nevada in terms of its impact on the environment, conservation and the economy. Prior to 2012, there had not been a study on what agriculture means to Nevada. The wet meadows in Nevada are important to wildlife and most of them are on private agriculture ground. If we lose agriculture, we lose the meadows. Agriculture is a broad industry within the State.

Assemblyman Edwards:

The work had been done with contractors. What was the cost of the contractors?

Dale Hansen (Fiscal Administrator, State Department of Agriculture):

To date, the NDA has spent \$25,000.

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Assemblyman Edwards:

Is the benefit of creating a State position the sharing between General Fund and non-General Fund allocations?

Mr. Hansen:

Yes. The cost allocation for the position is 20 percent federal funds and 80 percent nonfederal funds. Of the 80 percent, 20 percent is a General Fund allocation.

ASSEMBLYMAN KIRNER MOVED TO APPROVE DECISION UNIT E-227 OF B/A 101-4554 AND TO GRANT AUTHORITY TO STAFF TO MAKE THE NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMEN SWANK AND BUSTAMANTE ADAMS VOTED NO.)

SENATE: THE MOTION FAILED. (SENATOR WOODHOUSE VOTED NO. SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

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Mr. Drost:

The next major closing issue is a new administrative assistant position in decision unit E-228.

E-228 Efficient and Responsive State Government — Page AGRICULTURE-8

The Governor recommends funding of \$40,719 in FY 2016 and \$51,192 in FY 2017 which includes General Fund appropriations of \$8,935 in FY 2016 and \$11,233 in FY 2017 transferred from the contributing budgets through the NDA's cost allocation. This position would provide administrative support to other Division staff, coordinate communication between the deputy director and other staff, make travel arrangements, perform payroll functions, prepare budget reports and compose correspondence. Fiscal staff notes that the Legislature approved an administrative assistant position in 2013, however, that position

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functions as a receptionist and is unable to assume the additional duties recommended for the new position.

The Executive Budget reflects the NDA's continuing to fund and receive centralized personnel services from the Department of Administration's DHRM Agency Human Resource Services (AHRM) section in the 2015-2017 biennium. The NDA indicates that an AHRM section staff member is currently on site 4 hours each week. Fiscal staff notes that the Governor recommends an additional staff member for the AHRM section, which the DHRM indicates would increase the amount of time an AHRM section staff member spends on site to 12 hours each week. However, the Department indicates the DHRM staff member spends a majority of that time discussing personnel issues with Department staff, which requires recruitment, employment interview, work performance standards and performance evaluation paperwork to be completed by Department staff. The new administrative assistant position would complete this personnel-related paperwork, which would otherwise be completed by Division administrators. If this new position is approved, Fiscal staff requests a technical adjustment for this decision unit to eliminate a new iPad which the department confirms is not needed.

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-228 IN B/A 101-4554 WITH THE TECHNICAL ADJUSTMENT AS NOTED BY FISCAL STAFF.

SENATOR WOODHOUSE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Drost:

The fourth major closing item is the transfer of a marketing coordinator position in decision units E-500 and E-900.

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E-900 Transfer From BA 4545 To BA 4554 — Page AGRICULTURE-13

The Governor recommends transferring the salary and operating expenditures associated with the marketing coordinator position from the Agriculture Registration/Enforcement budget, B/A 101-4545, to the Administration Division budget and funding the position through the Division's cost allocation. This would allow all marketing activities to be under the direction of the Director's Office.

AGRI - Agriculture Registration/Enforcement — Budget Page AGRICULTURE-16
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E-900 Transfer From BA 4545 To BA 4554 — Page AGRICULTURE-23

The marketing coordinator was initially approved by the Interim Finance Committee (IFC) in October 2012. At that time, the Department indicated the position would manage international marketing and exports, interact with the WUSATA, support the Nevada Grown branding project and promote local farmers markets. The Department now indicates the position should be transferred to the Administration Division to improve the coordination of marketing activities. In addition, the items marketed by this position have changed over time to include agricultural products represented by all divisions within the Department.

The Executive Budget includes annual travel expenditures of \$7,512 in the Agriculture Registration/Enforcement budget specifically for the marketing coordinator position. Those amounts were not properly transferred in decision unit E-900. If the Subcommittees approve this item, Fiscal staff requests authority to make a technical adjustment to transfer those travel expenditures to the Administration budget.

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-500 AND E-900 OF B/A 101-4554 AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS REQUESTED TO DECISION UNIT E-900.

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SENATOR WOODHOUSE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Drost:

The fifth major closing issue is decision unit E-229 on page 14 of [Exhibit C](#). The Governor recommends funding of \$15,735 in FY 2016 and \$16,178 in FY 2017 for the NDA's leased office space in Carson City. The Carson City lease was approved by the IFC in August 2014. This office serves as a secondary office for the Director and other staff members who have frequent meetings in Carson City. It also serves as an office and conference room for Nevada Future Farmers of America (FFA) staff. When approved by the IFC the NDA indicated that Nevada FFA would provide \$200 per month for the use of this space; however, the NDA now indicates that was meant to be a one-time reimbursement. Do the Subcommittees wish to approve the Governor's recommendation for lease expenditures for the Carson City office with cost allocation funding, and allow the FFA to occupy a portion of this office space at no charge?

E-229 Efficient and Responsive State Government — Page AGRICULTURE-8

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-229 OF B/A 101-4554 AS STATED AND TO ALLOW THE FFA TO OCCUPY A PORTION OF THE OFFICE SPACE AT NO CHARGE.

Chair Kirner:

Was the budget prepared with the assumption there would be a \$200 per month payment to the State?

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Mr. Drost:

No, the Executive Budget does not include the \$200 per month payment. But, since it is a change from what was identified at the IFC meeting, it is included here for transparency.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Drost:

The other closing items in B/A 101-4554 include travel for NDA information technology (IT) staff to perform IT support and maintenance in decision unit E-232, World Agricultural Exposition exhibit space in decision unit E-234, the transfer of a vehicle and associated operating expenditures in decision unit E-901, a change in cost allocation funding source for the vehicle in decision unit E-501, replacement equipment in decision unit E-710, new IT equipment in decision unit E-720 and cost allocation for centralized DHRM services in decision unit E-804.

E-232 Efficient and Responsive State Government — Page AGRICULTURE-9

E-234 Efficient and Responsive State Government — Page AGRICULTURE-9

E-901 Transfer From BA 1362 To BA 4554 — Page AGRICULTURE-13

E-501 Adjustments To Transfer E901 — Page AGRICULTURE-10

E-710 Equipment Replacement — Page AGRICULTURE-11

E-720 New Equipment — Page AGRICULTURE-12

E-804 Cost Allocation — Page AGRICULTURE-12

Finally, Fiscal staff identified an issue with the calculation methodology used to determine the NDA's share of the Statewide Cost Allocation Plan (SWCAP) and Attorney General cost allocation in the 2015-2017 biennium. If this issue is corrected, the NDA's SWCAP would be reduced from \$724,663 to \$171,091 in FY 2016 and from \$410,574 to \$91,428 in FY 2017. Similarly, the NDA's

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contribution to the Attorney General cost allocation would be reduced from \$75,183 to \$17,751 in FY 2016 and from \$82,553 to \$18,383 in FY 2017.

Do the Subcommittees wish to approve the other closing items as recommended by the Governor with technical adjustments as noted above?

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS E-232, E-234, E-901, E-501, E-710, E-720 AND E-804 WITH THE TECHNICAL ADJUSTMENTS TO THE SWCAP AND ATTORNEY GENERAL COST ALLOCATION, AND TO GRANT AUTHORITY TO STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Drost:

The next item is B/A 101-4545, the Agriculture Registration/Enforcement budget. The first major closing issue is on page 17 of [Exhibit C](#). The Governor recommends the discontinuation of this budget's funding in support of the State's nine member Sagebrush Ecosystem Council in decision unit E-225. In decision unit E-226, the Governor recommends discontinuing the Agriculture Registration/Enforcement budget's support for 50 percent of the expenditures of the NDA's staff member assigned to the Sagebrush Ecosystem Technical Team.

E-225 Efficient and Responsive State Government — Page AGRICULTURE-19

E-226 Efficient and Responsive State Government — Page AGRICULTURE-20

The Executive Budget includes a major budget initiative related to the Sagebrush Ecosystem Program, which includes funding all costs associated with the Council and Technical Team utilizing General Fund appropriations. The recommendation that the NDA's Technical Team position be funded exclusively

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with General Fund appropriations was not included in the major budget initiative for the Sagebrush Ecosystem Program. The NDA indicates this recommendation would allow the fees to be used in the field to address noxious weeds and improve sage grouse habitat. Do the Subcommittees wish to approve the Governor's recommendation to discontinue the use of Agriculture Registration/Enforcement budget fees to support the Sagebrush Ecosystem Council and the NDA's conservation staff specialist position assigned to the Technical Team?

SENATOR WOODHOUSE MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-225 AND E-226 OF B/A 101-4545 TO DISCONTINUE FUNDING AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The next major closing issue is the transfer of two positions, a program officer and an agriculturist, from the Pest, Plant Disease and Noxious Weed Control budget, B/A 101-4552, in decision units E-520 and E-920.

E-520 Adjustments To Transfer E920 — Page AGRICULTURE-21

E-920 Transfer From BA 4552 To BA 4545 — Page AGRICULTURE-24

AGRI - Pest Plant Disease Noxious Weed Control – Budget Page AGRICULTURE
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E-920 Transfer Two Positions From BA 4552 To BA 4545 — Page
AGRICULTURE-37

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The Executive Budget indicates these positions were supported by the U.S. Department of Agriculture (USDA) Specialty Crop Block Grant; however, the grant no longer supports personnel expenditures. Accordingly, the Governor recommends transferring these positions to the Agriculture Registration/Enforcement budget and funding the personnel expenditures using reserve reductions of \$144,075 in FY 2016 and \$145,511 in FY 2017. The NDA indicates the program officer position serves as the manager for the Organic Certification Program and this position would be funded with organic certification revenue currently held in reserve. However, these revenues are not sufficient to fund all costs associated with this position. If required, pest control operator license fee revenue may be used to support the position. The agriculturist position serves as manager for the Noxious Weed Program and would be funded by pesticide registration fee revenue currently held in reserve. Do the Subcommittees wish to approve the Governor's recommendation to transfer two positions from B/A 101-4552 to B/A 101-4545 and fund the positions with reserve reductions?

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-520 AND E-920 OF B/A 101-4545 AS RECOMMENDED BY THE GOVERNOR.

SENATOR ROBERSON SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Chair Goicoechea:

The Senate Committee on Finance Subcommittee on General Government will reconsider decision unit E-227 of B/A 101-4554 for a new PIO position. There is a motion and a second to recommend to the full Committees to approve this decision unit as recommended by the Governor and to grant authority to staff to make technical adjustments, but the earlier vote was a tie in the Senate Committee on Finance.

SENATE: THE MOTION CARRIED. (SENATOR WOODHOUSE VOTED NO.)

* * * * *

Mr. Drost:

The other closing items for the Agriculture Registration/Enforcement budget can be found on pages 18 and 19 of [Exhibit C](#). The Subcommittees expressed concerns regarding the declining reserve level in this budget, noting the budget had a cash balance of \$1.8 million at the beginning of FY 2014 that is projected to decline to \$278,559 in FY 2017. However, with the SWCAP technical adjustment previously mentioned, the reserve seems reasonable. The other closing items include: revised funding for agriculturalist positions in decision units E-230 and E-231, equipment and vehicle replacement in decision unit E-710, cost allocations for the NDA Administration Division and centralized DHRM services in decision units M-800, E-800 and E-804, and the transfer of the Marketing Coordinator previously discussed in the Administration budget in decision unit E-900. Do the Subcommittees wish to approve the other closing items as recommended by the Governor, with the technical adjustments noted in the revised funding for the agriculturist positions, and to grant authority to staff to make other technical adjustments as necessary?

E-230 Efficient and Responsive State Government — Page AGRICULTURE-20

E-231 Efficient and Responsive State Government — Page AGRICULTURE-20

E-710 Equipment Replacement — Page AGRICULTURE-22

M-800 Cost Allocation — Page AGRICULTURE-19

E-800 Cost Allocation — Page AGRICULTURE-22

E-804 Cost Allocation — Page AGRICULTURE-23

E-900 Transfer From BA 4545 To BA 4554 — Page AGRICULTURE-23

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE OTHER CLOSING ITEMS IN B/A 101-4545 AS RECOMMENDED BY THE GOVERNOR WITH TECHNICAL ADJUSTMENTS IN THE REVISED FUNDING FOR THE AGRICULTURIST POSITIONS AND TO GRANT AUTHORITY TO STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR ROBERSON SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The next budget is B/A 101-4550, Veterinary Medical Services.

AGRI - Veterinary Medical Services — Budget Page AGRICULTURE-43
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The first major closing issue is a new veterinary diagnostician position in decision unit E-352. The Governor recommends General Fund appropriations of \$101,505 in FY 2016 and \$122,026 in FY 2017 to restore a veterinary diagnostician to operate the NDA's animal health laboratory in Elko, which was closed when the position was eliminated in the 2011-2013 biennium due to budget reductions. Samples from the northeastern Nevada area are sent to the laboratory in Sparks for analysis. The restoration of this position would allow zoonotic diseases to be monitored in eastern Nevada. The NDA indicates that equine infectious anemia (EIA) testing is not offered in the Elko area and samples must be sent elsewhere for testing. Beyond EIA testing, the NDA indicates that reopening the animal health laboratory in Elko would not result in any additional services beyond those provided by private practitioners in the Elko area. The reopening of the Elko laboratory would be a significant convenience to livestock producers, but would not generate any additional revenue. No additional equipment is needed to reopen the laboratory; however, a new workstation was included in the Executive Budget. Fiscal staff has entered a technical adjustment for this decision unit to eliminate the new workstation for this position, which the NDA has confirmed is not needed.

E-352 Safe and Livable Communities — Page AGRICULTURE-45

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Chair Goicoechea:

We might be able to use his money elsewhere to fill a greater need. Although I represent that district, I recommend we do not approve this decision unit.

Assemblyman Edwards:

If we needed to, could we revisit this issue if money was available?

Chair Goicoechea:

I would prefer the Subcommittees deny that recommendation. There are other places the money could be used. I would rather have the PIO than the veterinarian.

ASSEMBLYMAN KIRNER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO NOT APPROVE DECISION UNIT E-352 OF B/A 101-4550 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The next major closing issue in this account is the revised funding for microbiologist positions in decision unit E-250.

E-250 Efficient and Responsive State Government — Page AGRICULTURE-45

The Governor recommends General Fund appropriations of \$21,751 in FY 2016 and \$22,541 in FY 2017 to fully support the salary expenditures for two existing microbiologist positions. Funding for these positions includes the transfer of 15 percent of the salary cost from the Livestock Inspection budget based on the projected time these employees perform laboratory tests in support of that budget.

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AGRI - Livestock Inspection — Budget Page AGRICULTURE-50 (Volume I)
Budget Account 101-4546

The Executive Budget indicates this recommendation would align the funding for these positions with their duties based on FY 2014 activities for which no testing for the Livestock Inspection budget occurred. However, the NDA indicates that the two employees did perform laboratory tests in support of the Livestock Inspection budget in FY 2014, but the employees did not code their timesheets to the specific job code associated with these tests. The NDA agreed that decision unit E-250 should not be approved for the 2015-2017 biennium although revised funding may be recommended in the 2017-2019 biennium based on more accurate reporting of these positions' activities.

ASSEMBLYWOMAN SWANK MOVED TO RECOMMEND TO THE FULL COMMITTEES TO NOT APPROVE DECISION UNIT E-250 OF B/A 101-4550 AS RECOMMENDED BY THE GOVERNOR.

SENATOR WOODHOUSE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Drost:

The other closing items in B/A 101-4550 include replacement IT equipment in decision unit E-710, new laboratory equipment in decision unit E-720 and cost allocation changes for the NDA's Administration Division and centralized DHRM services in decision units M-800, E-800 and E-804. These recommendations appear reasonable to staff.

E-710 Equipment Replacement — Page AGRICULTURE-46
E-720 New Equipment — Page AGRICULTURE-47
M-800 Cost Allocation — Page AGRICULTURE-45
E-800 Cost Allocation — Page AGRICULTURE-47

E-804 Cost Allocation — Page AGRICULTURE-47

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-710, E-720, M-800, E-800 AND E-804 OF B/A 101-4550 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Drost:

The next budget begins on page 23 of [Exhibit C](#), the Livestock Inspection budget, B/A 101-4546. The first major closing issue in this account is the new manufactured animal feed labeling registration fee in decision unit E-737.

E-737 New Programs — Page AGRICULTURE-54

The Governor recommends establishing a new, annual manufactured animal feed labeling registration fee not to exceed \$75 that would be charged to manufacturers for each commercial feed product line sold in the State. Retailers of licensed products would not be subject to the new fee and the NDA indicates the proposed registration process would be similar to the registration process for pesticides, which requires manufacturers to register their products annually using the NDA's online registration system.

According to the NDA, federal regulations are currently being drafted by the U.S. Food and Drug Administration (FDA) that will require the NDA to monitor, verify and keep records of all food products, including those consumed by animals. Since federal regulations have not been finalized, no new positions or resources are being recommended by the Governor at this time. Since the NDA is not certain what the FDA regulations will entail, the NDA based its proposed

fee rate on the average amount charged by other western states, including California, Oregon, Washington, Utah, Idaho and New Mexico. This fee is contingent on the passage of Senate Bill (S.B.) 495 which would establish this fee in statute not to exceed \$75.

SENATE BILL 495: Requires the licensing of commercial animal feed sold in Nevada. (BDR 51-1165)

The Executive Budget includes \$225,000 in new fee revenue each fiscal year. Although no additional resources are recommended, the table on page 24 of Exhibit C shows operating expenses and a transfer to the Veterinary Medical Services budget. No justification for those transfers was included in the Executive Budget. Accordingly, if this recommendation is approved, the Subcommittees may wish to place all manufactured animal feed labeling revenue in the NDA's reserve and direct the Department to seek spending authority from the IFC once the federal regulations are established and the NDA determines what resources it would need to comply with the regulations. Fiscal staff has prepared two options for consideration.

Option one is to approve decision unit E-737 of B/A 101-4546 as recommended by the Governor, contingent upon passage and approval of S.B. 495, and to provide fiscal staff with authority to make a technical adjustment to reflect the fund transfer recommended in each year to the Veterinary Medical Services budget.

Option two is to approve decision unit E-737 of B/A 101-4546 as recommended by the Governor, contingent upon passage of S.B. 495, and provide fiscal staff authority to place all revenue in reserve and issue a letter of intent directing the Agency to:

- Reevaluate the proposed rates associated with these fees once the federal regulations have been established;
- Seek authority from the Legislative Commission to establish the rate in regulation; and
- Seek spending authority from the IFC once the NDA determines the resources it will need to comply with federal regulations.

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ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL
COMMITTEES TO APPROVE OPTION TWO.

Chair Kirner:

What is the status of S.B. 495?

Mr. Barbee:

Senate Bill 495 has been Amended and Do Passed. It is currently being drafted
and has been referred to the Senate Committee on Finance.

Chair Kirner:

Is the amendment supportive, or does it materially change the bill?

Mr. Barbee:

The amendment made changes to garner the support of the Nevada Cattlemen's
Association and the American Feed Industry Association.

Chair Goicoechea:

Will the amendment reduce the projected revenues?

Mr. Barbee:

The feed revenues will remain the same. The biologics will be reduced.

ASSEMBLYMAN KIRNER SECONDED THE MOTION TO APPROVE
OPTION TWO.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The next major closing issue for B/A 101-4546 is the new Biologics Labeling
registration fee in decision unit E-738.

The Governor recommends establishing a new, annual Biologics Labeling fee not to exceed \$75 that would be charged to manufacturers for each veterinary biologic product line sold in the State. Retailers of licensed products would not be subject to the new fee and the NDA indicates the proposed registration process would be similar to the registration process for pesticides, which requires manufacturers to register their products annually using the NDA online registration system. This fee is contingent upon the passage and approval of S.B. 488.

SENATE BILL 488: Requires registration of veterinary biologic products sold in Nevada. (BDR 50-1164)

Biologic products include a wide range of products such as vaccines, blood and blood components and allergenics. Unlike drugs, which are typically manufactured through chemical synthesis, a biologic is manufactured in a living system such as a microorganism, plant or animal cells. According to the NDA, federal regulations are being finalized which will require the monitoring of biologic products used on animals.

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-738 IN B/A 101-4546 AS RECOMMENDED BY THE GOVERNOR, CONTINGENT UPON PASSAGE AND APPROVAL OF S.B. 488, AND PROVIDE FISCAL STAFF WITH THE AUTHORITY TO PLACE ALL REVENUE IN RESERVE, AND ISSUE A LETTER OF INTENT DIRECTING THE NDA TO:

- REEVALUATE THE PROPOSED RATES ASSOCIATED WITH THESE FEES ONCE THE FEDERAL REGULATIONS HAVE BEEN ESTABLISHED;
- SEEK AUTHORITY FROM THE LEGISLATIVE COMMISSION TO ESTABLISH THE RATE IN REGULATION, IF APPROVED BY THE STATE BOARD OF AGRICULTURE;
- SEEK SPENDING AUTHORITY FROM THE IFC ONCE THE NDA DETERMINES THE RESOURCES IT WILL NEED TO COMPLY WITH THE FEDERAL REGULATIONS; AND
- SUBMIT WORK PROGRAMS TO ADJUST AUTHORIZED REVENUE AND EXPENDITURES BASED UPON THE STATE BOARD OF

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AGRICULTURE'S ESTABLISHMENT OF THE BIOLOGICS LABELING
REGISTRATION PROGRAM AND ASSOCIATED FEES.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

Chair Kirner:

Regarding the motion, the fourth bullet, submitting a work program, is critical.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Drost:

The third major issue is brand inspector vehicles in decision unit E-720.

E-720 New Equipment — Page AGRICULTURE-53

The Governor recommends reductions in personal vehicle expenditures included in the NDA Base Budget of \$30,250 in FY 2016 and \$48,698 in FY 2017, as well as reserve reductions of \$7,000 in FY 2016 and an increase in reserves of \$256 in FY 2017 to purchase four used Nevada Highway Patrol trucks at \$3,500 in each year of the 2015-2017 biennium. The NDA projects these used vehicles would have a useful life of 4 to 6 years. Brand inspectors currently use their own vehicles to perform inspections and receive mileage reimbursement. By purchasing these vehicles, brand inspectors would use State-owned vehicles to perform their inspections, which would cost less than the reimbursements. The NDA projects savings of \$17,900 over a 4-year period with this purchase. Fiscal staff notes that, due to the remote locations of the brand inspectors' residences, some of these vehicles would be stored at the brand inspectors' homes. Do the Subcommittees wish to approve the Governor's recommendation to purchase used Highway Patrol vehicles for use by intermittent and full-time brand inspectors?

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL
COMMITTEES TO APPROVE DECISION UNIT E-720 IN B/A 101-4546.

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ASSEMBLYMAN HICKEY SECONDED THE MOTION.

Chair Goicoechea:

How will these vehicles receive maintenance service?

Mr. Barbee:

The Department has vendor contracts set up in different locations for its fleet vehicles.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Drost:

The other closing items in this account are the funding change for the microbiologist positions in decision unit E-250 and cost allocation changes in the NDA's Administration Division and centralized DHRM services in decision units M-800, E-800 and E-804. These items appear reasonable to Staff.

E-250 Efficient and Responsive State Government — Page AGRICULTURE-53
M-800 Cost Allocation — Page AGRICULTURE-52
E-800 Cost Allocation — Page AGRICULTURE-55
E-804 Cost Allocation — Page AGRICULTURE-55

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-250, M-800, E-800 AND E-804 IN B/A 101-4546 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR ROBERSON SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The next item is the Predatory Animal and Rodent Control budget.

AGRI - Predatory Animal & Rodent Control — Budget Page AGRICULTURE-58
(Volume I)
Budget Account 101-4600

There are no major issues with this account. The other closing items are the cost allocation adjustments related to the NDA's Administration Division and centralized DHRM services in decision units M-800, E-800 and E-804. These items appear reasonable to staff.

M-800 Cost Allocation — Page AGRICULTURE-59
E-800 Cost Allocation — Page AGRICULTURE-60
E-804 Cost Allocation — Page AGRICULTURE-61

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS M-800, E-800 AND E-804 OF B/A 101-4600 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

Chair Goicoechea:

Assembly Bill (A.B.) 78 makes an adjustment to the predator management fee and changes the makeup of the NDA's Predatory Animal and Rodent Committee; it will be heard on the floor of the Senate today. Will that bill impact this budget account?

[ASSEMBLY BILL 78 \(2nd Reprint\)](#): Makes various changes relating to wildlife.
(BDR 45-362)

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Mr. Barbee:

The NDA does not anticipate significant fiscal impact on this account from A.B. 78.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The next budget is on page 30 of [Exhibit C](#), B/A 101-4551, Consumer Equitability.

AGRI - Consumer Equitability — Budget Page AGRICULTURE-63 (Volume I)
Budget Account 101-4551

The major closing issue in this account is new seasonal positions in decision unit E-226.

E-226 Efficient and Responsive State Government — Page AGRICULTURE-65

The Governor recommends reserve reductions of \$23,760 in each year of the 2015-2017 biennium to hire three seasonal inspectors for the Bureau of Weights and Measures to assist with testing and certifying 310 livestock scales located throughout the State. These scales need to be tested annually. Currently, the NDA assigns teams of two Weights and Measures inspectors to perform these tests. The Governor recommends assigning a seasonal Weights and Measures inspector position to work with a full-time Weights and Measures position. While there is no existing backlog associated with this testing, the NDA indicates the recommendation would provide existing staff with additional time to perform random inspections of point-of-sale systems as required by *Nevada Revised Statute* 581.067, complete NIST online professional development courses and attend trainings provided by Division staff.

ASSEMBLYMAN KIRNER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-226 IN B/A 101-4551 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

There are four other closing items in B/A 101-4551. The first is out-of-state registered service agent fee revenue. During the NDA's budget hearing, the Department indicated that its fees to certify equipment for registered service agents who repair scales are lower than those charged by neighboring states. In addition, the NDA indicates that neighboring states have a backlog of equipment to be calibrated for the registered service agents in those states. Consequently, it is attractive for out-of-state agents to send their testing equipment to the NDA's Consumer Equitability Division for calibration. However, the NDA experienced difficulty filling a metrologist position approved by the 77th Session of the Legislature and did not separately classify out-of-state registered service agent revenue in the budget for FY 2014 or FY 2015 year-to-date. The NDA recently filled its metrologist position which should enable the Division to perform additional calibrations. However, the Executive Budget does not include additional calibration revenue generated from out-of-state agents. The NDA stated that fee revenue generated by out-of-state registered service agents averaged \$22,000 annually from FY 2011 through FY 2014. Accordingly, fiscal staff recommends technical adjustments to add revenue of \$22,000 in each year of the 2015-2017 biennium with corresponding adjustments to reserves from calibrating equipment for out-of-state registered service agents.

Other closing items include equipment and vehicle replacement in decision unit E-710, new equipment in decision unit E-720 and cost allocations for the Administration Division and centralized DHRM services in decision units M-800, E-800 and E-804. These recommendations appear reasonable to staff.

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E-710 Equipment Replacement — Page AGRICULTURE-66
E-720 New Equipment — Page AGRICULTURE-66
M-800 Cost Allocation — Page AGRICULTURE-65
E-800 Cost Allocation — Page AGRICULTURE-67
E-804 Cost Allocation — Page AGRICULTURE-67

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEMS IN B/A 101-4551 AS RECOMMENDED BY THE GOVERNOR, WITH THE TECHNICAL ADJUSTMENT TO ADD \$22,000 IN OUT-OF-STATE REGISTERED SERVICE AGENT FEE REVENUE IN EACH YEAR OF THE 2015-2017 BIENNIUM AND TO GRANT AUTHORITY TO FISCAL STAFF TO MAKE ANY NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN HICKEY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The next item is B/A 101-2691, Nutrition Education Programs.

AGRI - Nutrition Education Programs — Budget Page AGRICULTURE-70
(Volume I)
Budget Account 101-2691

The first major closing issue is the Breakfast After the Bell major budget initiative in decision unit E-275.

E-275 Educated and Healthy Citizenry — Page AGRICULTURE-74

The Governor recommends General Fund appropriations of \$1 million in each year of the 2015-2017 biennium for the Food and Nutrition Division to provide public schools with start-up grant funding to implement Breakfast After the Bell

programs. These programs may consist of breakfast served in the classroom, grab-and-go bagged breakfast and breakfast served in the cafeteria during or after the first class or morning recess. Senate Bill 503 requires schools with 70 percent or more of the enrolled pupils eligible for free- or reduced-price meals to participate in a Breakfast After the Bell program beginning in the 2015-2016 school year.

SENATE BILL 503: Provides for the creation and implementation of the Breakfast After the Bell Program. (BDR 34-1200)

The grant funding would provide initial startup funding, including equipment, labor costs and marketing and benefit approximately 120 schools and 93,861 students in each year of the biennium. The NDA indicates that federal reimbursement funding would be available to cover additional costs for the 120 schools starting the program.

The Executive Budget has identified Breakfast After the Bell as a major budget initiative to address childhood hunger. According to the Food and Nutrition Division, 53.6 percent of Nevada's children enrolled in public schools qualified for free- and reduced-price meal benefits in FY 2013. However, only 21.8 percent of those students participated in the national school breakfast program. The NDA projects Breakfast After the Bell would increase the participation rate to 48 percent by FY 2017. If all students who were eligible for free- and reduced-price meals participated, Nevada would have received an additional \$50.7 million in entitlement funds. The NDA states the Breakfast After the Bell initiative would remove the stigma of being poor associated with receiving a free- or reduced-price meal. Students are easily identified if eating breakfast before the bell, and often do not want other students to know they are receiving this benefit. If all students in the school are offered the opportunity to participate in Breakfast After the Bell, the stigma is eliminated because the ability to identify which students are paying for the meals and which students receive them at a free- or reduced-rate is eliminated.

During the Department's budget hearing, the Committees expressed concern regarding food waste. The NDA indicated there are measures in place to address this, including taste testing foods prior to offering them in the program, offering four food choices and requiring three items to be taken, providing a "share

table” that allows unopened food to be reused by local food banks and a school compost program.

During the S.B. 503 hearing, the Department indicated that serving breakfast would require approximately 10 to 15 minutes if served in the classroom. That time could be used for announcements, taking attendance or instructional time. The State Superintendent of Public Instruction expressed his support for S.B. 503 and indicated the State Board of Education plans to study the regulation dealing with instructional time to determine if the regulation should be modified due to Breakfast After the Bell. On April 9, 2015, the Senate Committee on Education voted to amend and do pass S.B. 503 as amended.

Assemblyman Edwards:

Is there a plan for what the \$1 million a year would be spent on, and at what schools and how many schools?

Mr. Drost:

During the S.B. 503 hearing, the Department said it would benefit approximately 120 schools and 93,861 students. The grant funding can be used for initial start-up costs including equipment for food preparation, storage and delivery as well as marketing and labor costs. The Department will determine how that money will be distributed.

Assemblyman Edwards:

I would like clarification on what exactly we are buying and what it costs.

Donnell Barton, Administrator (Division of Food and Nutrition, State Department of Agriculture):

It will vary by school, partly based on the size of the school and partly based on what is already in place. A small, rural school might need a staff member an additional hour each day to help prepare and deliver the breakfast meal. At some of the larger districts, the schools may need another piece of equipment such as a milk cooler. The cost of a milk cooler is approximately \$3,000. They may also need some additional staff to help deliver some of the food.

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Assemblyman Edwards:

We have not identified how many coolers might be needed, or how many additional staff might be needed.

Mr. Barbee:

When the school districts apply for the grant, they will submit their needs. It will be locally-driven and specific. The program is an opportunity for students to participate. Students are not required to participate, nor does the program pay for their breakfast. A 10 percent increase in the breakfast participation rates would equal approximately \$3 million in federal reimbursements from the federal school nutrition programs to Nevada. There are benefits to the child's health and to the State's economy.

Assemblyman Edwards:

I am concerned about putting \$2 million into a program for which we do not have a plan. Perhaps the money should be in reserve in the IFC and the districts can request the money when they have an actual plan.

Mr. Barbee:

It is common to set up a grant process within the State. At the Department of Education, the career and technical education division would grant approximately \$12 million to the school districts. The process is well-defined; a budget and budget narrative are required and the granting agency examines the applications to ensure they are consonant with statutes and regulations. There are processes in place as checks and balances. Reporting to IFC is a requirement of the bill. To require the grant applications be submitted to IFC, however, would delay the process and the school districts would probably not be able to access funding in FY 2016.

Chair Goicoechea:

Is there a reversion of funds at the end of the biennium?

Mr. Barbee:

Any funds not expended for the project revert to the General Fund.

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Assemblyman Edwards:

Based on what has been done at other schools, is \$8,000 per school, per year enough? Is it too much?

Ms. Barton:

The NDA has identified 120 schools; they vary in enrollment from less than 50 students to more than 3,000 students. For a school with fewer than 50 students, the request will be quite different from the larger schools. The Clark County School District (CCSD) has an Enterprise fund they could use in addition to State funds. The NDA will ask the schools to identify their needs in the grant application.

Assemblyman Edwards:

What is the size of the Enterprise fund?

Ms. Barton:

It is approximately \$36 million.

Assemblyman Edwards:

If they have that much money, why should the State give them \$2 million more?

Ms. Barton:

The \$36 million is derived from reimbursement from federal funds. The federal government requires them to keep 3 months of operating funds. For the CCSD, operating costs are about \$11 million a month. They have \$3 million in excess funds. The NDA would like those funds to be used to improve the meal quality. The CCSD has 300 schools and only 12 have salad bars. Increasing healthy choices is a priority for the NDA.

Assemblyman Edwards:

The State is struggling to pay its employees and the CCSD has \$36 million they can tap into. Why should we take money out of the State budget to pay for something the school district can pay for?

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Ms. Barton:

There are other school districts that will qualify for these grants: Washoe, Elko, Churchill and Lyon Counties, for example.

Assemblyman Edwards:

Can we make a motion to reduce the appropriations to \$200,000?

Chair Goicoechea:

At this point, we need to make a motion to make a recommendation to the full Committees.

ASSEMBLYWOMAN BUSTAMANTE ADAMS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR GENERAL FUND APPROPRIATIONS OF \$1 MILLION IN EACH YEAR OF THE 2015-2017 BIENNIUM FOR THE FOOD AND NUTRITION DIVISION TO PROVIDE PUBLIC SCHOOLS WITH START-UP GRANT FUNDING TO IMPLEMENT BREAKFAST AFTER THE BELL PROGRAMS CONTINGENT UPON PASSAGE OF S.B. 503.

SENATOR ROBERSON SECONDED THE MOTION.

Assemblyman Edwards:

I will vote in favor and reserve judgement for the full Committee hearing. It sounds like the State is paying for something the County should.

Chair Goicoechea:

It is access to the federal grant process.

Assemblyman Hickey:

I would prefer Breakfast After the Bell be Breakfast Before the Bell.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The next major closing issue in B/A 101-2691 is new quality assurance specialist positions in decision unit E-226.

E-226 Efficient and Responsive State Government — Page AGRICULTURE-73

The Governor recommends federal administrative indirect cost allowance funding of \$204,012 in FY 2016 and \$239,193 in FY 2017 for four full-time quality assurance specialist positions. These would replace four intermittent positions that were difficult to fill due to the inconsistent hours. The Subcommittees expressed concern that there was adequate workload to justify the four full-time positions. The NDA responded that the intermittent positions were only responsible for the review of the 33 sponsors of the National School Lunch Program and the full-time positions would also be tasked with reviewing the 136 sponsors of the CFP.

Fiscal staff would note that the Department's projected federal indirect cost allowance funding associated with the nutrition education programs may not be sufficient to support these four positions in the 2015-2017 biennium. From federal fiscal year (FFY) 2014 to FFY 2015, the NDA indicates the indirect cost allowance will increase by 8.71 percent. To meet the projected revenue in the Executive Budget, the funds would need to increase 15.8 percent. If a more conservative projection was utilized, the funding source could support two positions. The NDA did not object to the reduction in positions, but request that if only two positions were approved, the start date would be accelerated to July 1, 2015. If additional funding became available, they would approach the IFC for authority to add the two positions.

ASSEMBLYMAN KIRNER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE TWO FULL-TIME QUALITY ASSURANCE SPECIALIST POSITIONS, WITH REVISED START DATES OF JULY 1, 2015, AND DIRECT THE AGENCY TO APPROACH THE IFC IF THE ASSOCIATED WORKLOAD AND FEDERAL ADMINISTRATIVE INDIRECT COST ALLOWANCE FUNDING SUPPORTS ADDITIONAL QUALITY ASSURANCE SPECIALIST POSITIONS DURING THE 2015-2017 BIENNIUM.

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SENATOR WOODHOUSE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The final major closing issue for this budget is a new IT professional position in decision unit E-225.

E-225 Efficient and Responsive State Government — Page AGRICULTURE-73

The Governor recommends federal administrative indirect cost allowance funding of \$60,072 in FY 2016 and \$71,344 in FY 2017 for one new IT professional position to develop, maintain and provide staff support for the Food and Nutrition Division's computer application systems. This position would assist the existing IT professional with existing applications. The NDA indicates the addition of this position would be more cost effective than the use of a private vendor currently used to maintain its systems. However, the Executive Budget does not reflect any related expenditure reductions. The Agency indicated that the \$81,800 maintenance and support contract with a private vendor could be eliminated in FY 2017, but the contracted support is necessary in FY 2016 to provide the Division and the new IT position time to transition.

ASSEMBLYMAN KIRNER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR A NEW IT PROFESSIONAL POSITION FOR THE NUTRITION EDUCATION PROGRAMS, AND PROVIDE FISCAL STAFF WITH AUTHORITY TO ELIMINATE CONTRACTED SYSTEM MAINTENANCE EXPENDITURES OF \$81,800 IN THE COMMODITY FOOD PROGRAM BUDGET IN FY 2017.

SENATOR WOODHOUSE SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The other closing items include replacement equipment in decision unit E-710 and cost allocation changes in decision units M-800, E-800 and E-804. These recommendations appear reasonable to staff.

E-710 Equipment Replacement — Page AGRICULTURE-74

M-800 Cost Allocation — Page AGRICULTURE-72

E-800 Cost Allocation — Page AGRICULTURE-75

E-804 Cost Allocation — Page AGRICULTURE-75

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEMS IN B/A 101-2691 AS RECOMMENDED BY THE GOVERNOR AND TO PROVIDE FISCAL STAFF THE AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The next budget is the CFP, B/A 101-1362.

AGRI - Commodity Food Prog — Budget Page AGRICULTURE-78 (Volume I)
Budget Account 101-1362

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The only major closing issue is new positions for the federal Food Distribution Program on Indian Reservations (FDPIR) in decision unit E-351.

E-351 Safe and Livable Communities — Page AGRICULTURE-80

Nevada currently participates in the FDPIR, which is a federal program that provides USDA foods to low-income households, including the elderly living on Indian reservations and to Native American families residing in designated areas near reservations. This request includes two positions: a social services program specialist, who would deliver nutritional counseling that is not currently provided, and a driver warehouse worker position. The Department indicates this program has increased from 450 to 650 participants statewide. The two positions would travel together.

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION TO ADD ONE SOCIAL SERVICES PROGRAM SPECIALIST POSITION AND ONE DRIVER WAREHOUSE WORKER POSITION FOR THE COMMODITY FOOD PROGRAM IN B/A 101-1362.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

Assemblywoman Bustamante Adams:

I will support this motion, but I have concerns that the program could be better managed to avoid duplication. I would like to speak with the NDA Director further.

Senator Woodhouse:

I echo the statement of Assemblywoman Bustamante Adams regarding the efficiency of the operation.

Assemblywoman Swank:

I agree with Assemblywoman Bustamante Adams and Senator Woodhouse.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The other closing items include new and replacement equipment in decision units E-720, new equipment in E-710, cost allocation changes in decision units M-800, E-800 and E-804 and a vehicle transfer in decision unit E-901. These recommendations appear reasonable to Staff.

E-720 New Equipment — Page AGRICULTURE-82
E-710 Equipment Replacement — Page AGRICULTURE-81
M-800 Cost Allocation — Page AGRICULTURE-80
E-800 Cost Allocation — Page AGRICULTURE-82
E-804 Cost Allocation — Page AGRICULTURE-83
E-901 Transfer From BA 1362 To BA 4554 — Page AGRICULTURE-83

ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEMS IN B/A 101-1362 AS RECOMMENDED BY THE GOVERNOR AND TO PROVIDE FISCAL STAFF WITH AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The final budget is the Dairy Commission, B/A 233-4470.

AGRI - Dairy Commission — Budget Page AGRICULTURE-86 (Volume I)
Budget Account 233-4470

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The one major closing issue is the dairy laboratory and position reclassification in decision unit E-805.

E-805 Classified Position Reclassifications — Page AGRICULTURE-90

The NDA currently operates a dairy laboratory at its Sparks headquarters run by two environmental health specialists who also perform dairy inspections. Due to the new powdered milk plant in Fallon, and the associated expansion of the dairy industry, the Department recommends the reclassification of a vacant operations manager position to a microbiologist position to operate the laboratory. The existing positions would then resume their dairy inspection facilities full time.

ASSEMBLYMAN KIRNER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION TO RECLASSIFY THE OPERATIONS MANAGER POSITION TO A MICROBIOLOGIST POSITION FOR THE DAIRY COMMISSION.

SENATOR WOODHOUSE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The other closing items include replacement and new equipment in decision units E-710 and E-720 and cost allocation changes in decision units M-800, E-800 and E-804. These recommendations appear reasonable to Staff.

E-710 Equipment Replacement — Page AGRICULTURE-89

E-720 New Equipment — Page AGRICULTURE-89

M-800 Cost Allocation — Page AGRICULTURE-88

E-800 Cost Allocation — Page AGRICULTURE-89

E-804 Cost Allocation — Page AGRICULTURE-90

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ASSEMBLYMAN EDWARDS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEMS AS RECOMMENDED BY THE GOVERNOR AND PROVIDE FISCAL STAFF THE AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Chair Goicoechea:

The hearing is open to public comment. Seeing none, the meeting is adjourned at 10:02 a.m.

RESPECTFULLY SUBMITTED:

Trish O'Flinn,
Committee Secretary

APPROVED BY:

Senator Pete Goicoechea, Chair

DATE: _____

Assemblyman Randy Kirner, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit		Witness or Agency	Description
	A	2		Agenda
	B	2		Attendance Roster
	C	44	Andrea McCalla et. al. Fiscal Analysis Division	General Government Joint Subcommittee Closing List #1 April 16, 2015
	D	1	Adam Drost, Fiscal Analysis Division	C04 Replace DMV; East Sahara Complex