

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

**Seventy-Eighth Session
March 17, 2015**

The Senate Committee on Natural Resources was called to order by Chair Don Gustavson at 1:30 p.m. on Tuesday, March 17, 2015, in Room 2144 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Don Gustavson, Chair
Senator Pete Goicoechea, Vice Chair
Senator James A. Settelmeyer
Senator David R. Parks

COMMITTEE MEMBERS ABSENT:

Senator Mark A. Manendo (Excused)

STAFF MEMBERS PRESENT:

Alysa Keller, Policy Analyst
Gayle Farley, Committee Secretary

OTHERS PRESENT:

Tony Wasley, Director, Department of Wildlife
Neena Laxalt, Nevada Cattlemen's Association
Jeremy Drew, Chair, Board of Wildlife Commissioners
Andrew Zaninovich, Nevada Conservation League; Coalition for Nevada's
Wildlife
Patrick Cates, Deputy Director, Department of Wildlife
Gerald Lent

Chair Gustavson:

We will now open the hearing on Assembly Bill (A.B.) 78.

ASSEMBLY BILL 78: Makes various changes relating to wildlife. (BDR 45-362)

Tony Wasley (Director, Department of Wildlife):

In 1989, the Nevada Legislature enacted sections 155 and 165 of chapter 504 of the *Nevada Revised Statutes* (NRS). This legislation mandated the Department of Wildlife (NDOW) to maintain a fund for prevention and mitigation of damage caused by elk. A fee of \$5 was included in the price of an elk tag, and the fee has not increased since that time. In the event this fund was to decline, there would be no mechanism in place to obtain additional funding. Assembly Bill 78 would give authority to the Board of Wildlife Commissioners to increase this fee of \$5 to not more than \$10.

The growth of elk herds has provided a significant increase in elk hunting opportunities; however, as a consequence of this growth, conflicts with private landowners have intensified. When damage occurs, fencing or monetary compensation is provided to the associated landowner by means of the Elk Damage Mitigation Program. I have provided written testimony ([Exhibit C](#)).

Over the last biennium, NDOW has expended \$363,000 for elk damage programs. With the continued increase of elk herds, we must be able to respond to the changing needs of landowners in a prompt and responsible manner.

Senator Goicoechea:

How much money has been generated for this program since 1989?

Mr. Wasley:

This program generates approximately \$150,000 to \$160,000 per year. This is not based on the number of tags, but on applications only. Since 1989, approximately \$3 million to \$3.5 million has been generated. Last year, we changed the application process that allowed hunters to apply for bull tags as well as cow tags, which created an additional \$100,000.

Senator Goicoechea:

Is all of this money used for mitigation? Do you have reserves?

Mr. Wasley:

These funds are strictly dedicated to elk mitigation. There are no reserves.

Senator Goicoechea:

There are issues in northern Humboldt and northern Elko Counties in addition to complaints from White Pine County due to elk damage. What would you

anticipate the cost to be on an annual basis for fencing and other forms of mitigation?

Mr. Wasley:

The most we have expended was last year in the amount of \$363,000. When we undergo catastrophic conditions such as hard winters or drought, as we are experiencing now, the potential for conflict increases. It is unlikely that we would spend more than we spent last year. However, if a situation arises and we are spending more than we are generating, an increase would be necessary.

Senator Goicoechea:

We are experiencing a large number of problems at north Lages Station in north Steptoe Valley. We cannot fence all of that property. In addition, there is the danger of elk and vehicles colliding on the highways; this is happening.

Mr. Wasley:

Yes, a good case in point is at Lages junction. We determined to construct fencing would be cost prohibitive; consequently, we initiated an emergency depredation hunt with the intent of depleting that population. Fencing or damage payments are not always the most effective solution for mitigation.

Senator Goicoechea:

I agree, depredation is one tool, but that is not going to be entirely effective. With all the alfalfa and feed production generated on those lands, the herd would have to be totally depleted. I do not think anyone wants that to happen.

Neena Laxalt (Nevada Cattlemen's Association):

The Nevada Cattlemen's Association is in support of this bill.

Andrew Zaninovich (Nevada Conservation League; Coalition for Nevada's Wildlife):

The Nevada Conservation League and the Coalition for Nevada's Wildlife support A.B. 78.

Jeremy Drew (Chair, Board of Wildlife Commissioners):

The Commission is in support of this bill. We do not see an immediate need to raise the elk application fee; however, we see this as an opportunity to support the means of addressing future issues.

Senator Goicoechea:

Do you have any ideas of how we are going to deal with these issues?

Mr. Drew:

Specific landowner depredation hunts have been successful; however, the Commission is very receptive to new ideas.

Chair Gustavson:

We will now close the hearing on A.B. 78 and open testimony for A.B. 82.

ASSEMBLY BILL 82: Makes various changes relating to wildlife. (BDR 45-365).

Patrick Cates (Deputy Director, Department of Wildlife):

Assembly Bill 82 is being proposed to address three inconsistencies in NRS that arose from a budgetary reorganization approved during the 77th Legislative Session. I have provided written testimony ([Exhibit D](#)) outlining three goals we would like to achieve today. The first goal is to change the name of the Wildlife Fund Account to Wildlife Account. This is a State General Fund account and repository for our fee revenue.

We are also seeking to change the name of the Wildlife Heritage Trust Account to the Wildlife Heritage Account. This is not a trust account. Proceeds for this account are from the sale and auction of special hunting tags. Changing the name to the Wildlife Heritage Account accurately describes the account and limits confusion with the Wildlife Trust Fund set up for private donations in 2011 as a result of A.B. No. 525 of the 76th Session.

The second goal is to restore language to NRS 502.326 regarding the administration of trout stamp revenue. When the law changed, the fee remained the same; however, the language for the purpose of this fee was deleted. We are requesting the language: "must be used for the protection, propagation and management of trout ... and for the payment of any bonded indebtedness ..." be reinstated for clarity.

The third goal is to make a technical adjustment to add the term, "and management," to the duck stamp language. This standardizes the language and makes it clear the money will be used for projects relating to migratory waterfowl.

Senator Goicoechea:

I am on the Interim Finance Committee (IFC), and I realize you have the authority to draw funds out of the Wildlife Account for work programs. Your Department stands alone in the ability to transfer funds.

Mr. Cates:

Yes, the Wildlife Account holds all of our fee-based revenue. All funds are held in reserves unless we move them into an operating account. That requires the budget process, work programs and IFC approval. This account is nonexecutive as it only collects the fees that the Legislature has approved us to assess.

Senator Parks:

Do you have other accounts that are repositories for assessed fees relating to wildlife other than the Wildlife Account and the Wildlife Heritage Account?

Mr. Cates:

We have the Wildlife Trust Fund that is a gift account for donations as well as two other nonexecutive accounts that are not fee-based. The Question One (Q1) account for Q1 bond funds is managed by the State Department of Conservation and Natural Resources. This account is specific for on-the-ground projects only. The Mitigation Account is funded by the federal government and is a component of their permit applications for industry. For example, if an entity, such as mining or energy, applies to the U.S. Bureau of Land Management, (BLM) for a permit to do a project on federal land, the BLM may negotiate some type of payment for wildlife mitigation. It is similar to an impact fee. These are all of our nonexecutive accounts.

Senator Goicoechea:

Who has oversight over the Mitigation Account?

Mr. Cates:

Most of the monies are Ruby Pipeline funds. We have a joint agreement with the BLM as well as Ruby Pipeline, LLC. Projects are presented and selected by a joint committee of both agencies.

Senator Goicoechea:

Does the federal agency involved determine how this money is to be used?

Mr. Cates:

That is correct; the federal agency negotiates the amounts assessed in the permits and what the fees are for.

Gerald Lent:

I represent sportsmen and sportswomen and have a concern about the duck stamp. I was on the board of the Nevada Organization for Wildlife and we were the ones who initiated the duck stamp. The purpose of the duck stamp was for propagation and protection of migratory birds. It was an obligated reserve account that was to be dedicated for that purpose. It was not to be intermingled with the Wildlife Account. The word "management" is in this bill and I fear management will deplete the funds. You need to put in that spending on management should not exceed a certain percentage or amount of the funds.

Chair Gustavson:

To what section in the bill are you referring?

Mr. Lent:

I am referring to section 22, subsection 2, where they are inserting the words "and management."

Mr. Cates:

That language was proposed by legal counsel when we were drafting the bill. We are describing the management of wildlife. It is the same language that we have for other special fees including the trout stamp and upland game stamp fees. Our goal is to make the management language uniform. The account that Dr. Lent is speaking about is an obligated reserve account. All of these accounts are treated in the same manner. I do not see a need to change this language. The language is solely to provide uniformity for all those special fees that are for on-the-ground projects. This would not change how it has been used historically.

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Chair Gustavson:

I will have legal counsel get back to Dr. Lent to verify the reasoning for this language. We will close the hearing on A.B. 82.

There being no further testimony or public comment, the Senate Committee on Natural Resources is adjourned at 2:29 p.m.

RESPECTFULLY SUBMITTED:

Gayle Farley,
Committee Secretary

APPROVED BY:

Senator Don Gustavson, Chair

DATE: _____

| EXHIBIT SUMMARY | | | | |
|-----------------|---------|---|-------------------|-------------------|
| Bill | Exhibit | | Witness or Agency | Description |
| | A | 1 | | Agenda |
| | B | 1 | | Attendance Roster |
| A.B. 78 | C | 2 | Tony Wasley | Written testimony |
| A.B. 82 | D | 2 | Patrick Cates | Written testimony |