

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

**Seventy-Ninth Session
April 19, 2017**

The joint meeting of the Assembly Committee on Ways and Means and Senate Committee on Finance Subcommittees on General Government was called to order by Chair Heidi Swank at 8:09 a.m. on Wednesday, April 19, 2017, in Room 2134 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/79th2017.

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblywoman Heidi Swank, Chair
Assemblywoman Teresa Benitez-Thompson, Vice Chair
Assemblywoman Olivia Diaz
Assemblyman Chris Edwards
Assemblyman John Hambrick
Assemblywoman Ellen B. Spiegel

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Aaron D. Ford, Chair
Senator Becky Harris
Senator David R. Parks

STAFF MEMBERS PRESENT:

Cindy Jones, Assembly Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Joi Davis, Senior Program Analyst
Jon Stieber, Program Analyst
Carmen Neveau, Committee Secretary
Lisa McAlister, Committee Assistant

Chair Swank asked the committee secretary to call the roll. The Chair then reminded Subcommittee members and members of the audience about the Subcommittees' rules and protocol.



Chair Swank explained that the budget closings to be heard included the Division of Minerals and the State Department of Agriculture.

COMMERCE & INDUSTRY
MINERALS
DIVISION OF MINERALS (101-4219)
BUDGET PAGE MINERALS-4

Joi Davis, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented the Division of Minerals budget account 4219 for closing. She explained that there were two major closing issues in this account. The first major closing issue was the increase in contract costs for the Abandoned Mine Lands (AML) Program. She stated that the Governor recommended reserve funds of \$70,000 each year to increase contract costs for securing dangerous abandoned mine hazards for the Abandoned Mine Lands Program. This amount, she continued, would be combined with base contract expenditures of \$50,000 each year for AML inventorying and ranking of hazardous mine features and increased contracted AML funding to \$240,000 over the 2017-2019 biennium. This amount would augment existing staff and summer intern identification for the program; however, the majority of the enhancement would be used to perform contracted hard closures such as backfill, polyurethane foam closures, or bat-compatible gates. Abandoned mine hazard securing, she clarified, was prioritized with the U.S. Department of the Interior's Bureau of Land Management, based on mine features, density, and proximity to the public, trails, and recreation areas.

Ms. Davis stated that the Division of Minerals had increased the dangerous mine fee from \$2.50 per mining claim to \$4.00 per mining claim during the 2015-2017 biennium. These AML program fees, she said, were dedicated to securing sites and educating the public about dangerous and abandoned mines.

Ms. Davis further explained that contracted services covered the following types of activities: identification of hazardous mines, mine revisits, and securing mine sites through fencing and hard closures. She stated that the Division of Minerals estimated there were 50,000 abandoned mine hazards throughout the state. Of that estimated number, she noted that 20,076 sites had been identified, and 16,047 sites had been secured. She said that over the last two years, securing mines with hazardous features had been a priority for the Division of Minerals, and this funding would reduce the number of mines requiring hard closures.

Ms. Davis asked whether the Subcommittees wanted to approve reserve funds of \$70,000 in each year of the 2017-2019 biennium for additional contract costs to secure hazardous mine sites through the state.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR FORD MOVED TO APPROVE THE REQUEST FOR RESERVE FUNDS OF \$70,000 FOR EACH YEAR OF THE 2017-2019 BIENNIUM FOR ADDITIONAL CONTRACT COSTS TO SECURE HAZARDOUS MINE SITES IN NEVADA.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Ms. Davis next covered the other major closing issue, the Governor's recommendation to use reserve funds of \$25,336 in each year of the biennium for exhibit costs at the Prospectors and Developers Association of Canada Trade Show in Toronto, Canada. The Division of Minerals, she stated, had indicated that the costs included exhibit space fees, furniture rental, and various displays for the four-day event. Although Division of Minerals staff had attended the event in the past, there had been no exhibit. The purpose of exhibiting, she said, was to provide information and answer questions on exploration, development, and production, including regulations and permitting requirements in Nevada.

Ms. Davis asked whether the Subcommittees wanted to approve reserve funds of \$25,336 in each year of the 2017-2019 biennium for the Division of Minerals to exhibit at an annual mining trade show in Toronto, Canada.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR PARKS MOVED TO APPROVE RESERVE FUNDS OF \$25,336 FOR EACH YEAR OF THE 2017-2019 BIENNIUM FOR THE DIVISION OF MINERALS TO EXHIBIT AT THE ANNUAL MINING TRADE SHOW IN TORONTO, CANADA.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Ms. Davis indicated that other closing item No. 1 through other closing item No. 3 appeared reasonable to Fiscal Analysis Division staff. For other closing item No. 4, she stated that the Subcommittees would not make any decision on item No. 4, a salary increase for four unclassified positions. The Governor's recommendation to increase the salaries of the

unclassified chief of dangerous mines position and three unclassified field specialist positions would be determined as part of the Pay Bill. Fiscal Analysis Division staff, she noted, requested authority to make technical adjustments as necessary.

Ms. Davis stated that Fiscal Analysis Division staff recommended that other closing items, excluding other closing item No. 4, be approved as recommended by the Governor, and Fiscal staff requested authority to make technical adjustments as needed, including any adjustments related to the outcome of legislation pending before the 2017 Legislature.

Ms. Davis identified two bills, Assembly Bill 52 and Assembly Bill 159, but there was no discussion of these bills.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

ASSEMBLYWOMAN DIAZ MOVED TO APPROVE OTHER CLOSING ITEMS NO. 1 THROUGH NO. 3, ACCORDING TO THE GOVERNOR'S RECOMMENDATION, WITH AUTHORITY FOR FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED. OTHER CLOSING ITEM NO. 4 WAS DEFERRED UNTIL DISCUSSION OF THE PAY BILL.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

COMMERCE & INDUSTRY
DEPARTMENT OF AGRICULTURE
AGRI - ADMINISTRATION (101-4554)
BUDGET PAGE AGRICULTURE-5

Jon Stieber, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented the State Department of Agriculture's budget account 4554, Administration, for closing. He explained that there were three major closing issues. The first major closing issue was a new grants and projects analyst position. The Governor's recommendation was for \$141,818 in indirect cost allocation funding for a new position to assist departmental program managers in researching grant resources, preparing applications, compiling financial information and statistical data, and coordinating matching requirements with division administrators.

Mr. Stieber noted that the State Department of Agriculture had indicated that the new position would place the Department in a stronger position to apply for a greater number of

discretionary grants. The new position would also provide support to departmental agencies applying for discretionary grants.

During the February 8, 2017, budget hearing, Mr. Stieber continued, the Subcommittees expressed concern that this position duplicated services performed by other state agencies, namely the Office of Grant Procurement, Coordination and Management, Department of Administration. According to the State Department of Agriculture, he countered, there would be no duplication of services. The new position would research and analyze grant recommendations from the Office of Grant Procurement, Coordination and Management to determine whether the grant was practical to administer, based on available resources.

Mr. Stieber asked whether the Subcommittees wanted to approve the Governor's recommendation for \$141,818 in indirect cost allocation funding for a new grants and project analyst position under the State Department of Agriculture Administration budget.

Senator Parks asked what the expected return on investment was and whether there was any input from the State Department of Agriculture. Mr. Stieber replied that he had heard from the State Department of Agriculture, but it was hard to tell because some grants had a matching requirement. The new position would analyze grant recommendations and, based on the available resources, decide whether to proceed with a grant. Senator Parks asked whether the additional grant awards and cost savings would fully cover the cost of the position, and Mr. Stieber believed they would.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

ASSEMBLYWOMAN SPIEGEL MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR \$141,818 IN INDIRECT COST ALLOCATION FUNDING FOR A NEW GRANTS AND PROJECT ANALYST POSITION UNDER THE STATE DEPARTMENT OF AGRICULTURE'S ADMINISTRATION BUDGET.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber next presented the second major closing issue, a new business process analyst position. The Governor recommended a new business analyst position to assist the existing business process analyst position with collecting, managing, and validating global positioning data for the State Department of Agriculture's Plant Industry Program, Animal Cruelty Program, Consumer Equitability Program, and Food and Nutrition Program.

The Governor's recommendation, he explained, was \$161,629 in indirect cost allocation revenue over the 2017-2019 biennium to fund the position and related expenditures.

Mr. Stieber stated that the State Department of Agriculture indicated that the new position would be responsible for design, execution, and maintenance of a new geographic information system (GIS). The new position would work with staff to gather GIS data to develop program and department maps and incorporated grid-type locations systems on maps to enhance program decision-making efficiency and effectiveness.

During fiscal year (FY) 2016, Mr. Stieber said that Manpower Northern Nevada's personnel performed GIS duties, including surveying, map drafting, data management, analytics, outreach, and training for the State Department of Agriculture. The FY 2016 expense for these services was \$17,557 for 926 hours of work. Fiscal Analysis Division staff noted that contract expenses were not reduced in this decision unit because the State Department of Agriculture indicated that a full-time employee would allow the Department to manage the workload better as programs continued to expand. The Department further indicated that were this position not approved, the Department would continue to use Manpower Northern Nevada personnel to perform GIS duties.

Mr. Stieber asked whether the Subcommittees wanted to approve the Governor's recommendation for a new business process analyst position for the State Department of Agriculture's Administration budget and provide staff with authority to reduce contract labor expenditures by \$17,557 based on those services no longer being needed.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

ASSEMBLYWOMAN DIAZ MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR \$161,629 FOR A NEW BUSINESS PROCESS ANALYST POSITION UNDER THE STATE DEPARTMENT OF AGRICULTURE'S ADMINISTRATION BUDGET AND TO PROVIDE FISCAL ANALYSIS DIVISION STAFF WITH AUTHORITY TO REDUCE CONTRACT LABOR EXPENDITURES BY THE CORRESPONDING \$17,557.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Alex Haartz, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, requested clarification on whether the motion included the reduction of \$17,557 in Manpower Northern Nevada expenditures that otherwise would not be necessary. The Chair confirmed that the reduction was included in the motion.

Mr. Stieber moved on to the third major closing issue, travel. He noted that the total base travel expenditures over the 2017-2019 biennium were \$459,638. The Department, he added, had requested \$253,803 in travel enhancements, resulting in a total travel budget of \$713,441.

Mr. Stieber further stated that the Governor recommended indirect cost-allocation revenue of \$20,724 in each year of the 2017-2019 biennium to increase travel expenditures for the marketing coordinator and department personnel to attend meetings, trainings, and industry events that promoted importing and exporting agriculture goods, services, and supplies for the state. The travel request was broken down into three categories: out-of-state travel that covered annual conferences and meetings; in-state travel that covered board meetings, regional agriculture events, information technology support for statewide agriculture offices, facility checks, media announcements, and marketing events; and the third category was a new category, marketing travel, which included "outbound" buying missions, "inbound" buying missions, and conferences.

Mr. Stieber asked whether the Subcommittees wanted to approve the \$20,724 annual increase in travel expenditures, as recommended by the Governor.

Chair Swank requested a motion to approve the request, with a reduced percentage for the travel enhancement requests across the State Department of Agriculture's seven budgets.

ASSEMBLYWOMAN SPIEGEL MOVED TO APPROVE 50 PERCENT OF
THE ENHANCEMENT TRAVEL REQUEST ACROSS THE STATE
DEPARTMENT OF AGRICULTURE'S SEVEN BUDGETS.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not
present for the vote.)

Mr. Stieber stated that Fiscal Analysis Division staff recommended that other closing items be closed as recommended in The Executive Budget. He asked whether the Subcommittees wanted to approve other closing items No. 2 through No. 5 as recommended by the Governor and provide Fiscal Analysis Division staff with authority to make technical adjustments to other closing item No. 1, updated revenue projections and departmental transfers, as necessary. He clarified that other closing item No. 1 would be determined later as part of the Pay Bill.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve other closing items No. 2 through No. 5, excluding other closing item No. 1.

SENATOR FORD MOVED TO APPROVE OTHER CLOSING ITEMS NO. 2 THROUGH NO. 5 AS RECOMMENDED BY THE GOVERNOR, AND PROVIDE FISCAL ANALYSIS DIVISION STAFF WITH AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS TO OTHER CLOSING ITEM NO. 1, UPDATED REVENUE PROJECTIONS AND DEPARTMENTAL TRANSFERS, AS NECESSARY.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

COMMERCE & INDUSTRY
DEPARTMENT OF AGRICULTURE
AGRI - AGRICULTURE REGISTRATION/ENFORCEMENT (101-4545)
BUDGET PAGE AGRICULTURE-16

Jon Stieber, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented the State Department of Agriculture's budget account 4545, Agriculture Registration and Enforcement, for closing. He explained that there were three major closing issues. The first major closing issue was new equipment purchases. The Governor recommended reserve reductions of \$269,933 to purchase a survey-grade global positioning system, software, and a gas chromatograph triple quadrupole (GCTQ) mass spectrometer. According to the State Department of Agriculture, he said, the new mass spectrometer would replace five pieces of existing equipment that were no longer supported by the vendor, and the global positioning system (GPS) software would help the Plant Industry Program determine accurate coordinates for mapping pesticide applications. The Department indicated that because equipment no longer functioned, samples had been sent to third-party laboratories at a cost of \$400 per test. The Department further estimated 585 GCTQ samples annually, but the laboratory had suspended all water pesticide residue testing because of a lack of proper equipment.

Mr. Stieber asked whether the Subcommittees wanted to approve reserve reductions of \$269,933 to fund new equipment purchases as recommended by the Governor.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR FORD MOVED TO APPROVE RESERVE REDUCTIONS FOR \$269,933 FOR THE STATE DEPARTMENT OF AGRICULTURE'S NEW EQUIPMENT PURCHASES AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber said the next major closing issue was a technology investment request (TIR) for an automated information system for registrations, licenses, certifications, permits, inspections, testing, and training. This system, he said, would allow customers to access their accounts and process transactions and payments online. Funding to support this proposal was included in six of the State Department of Agriculture's budgets.

Mr. Stieber explained that according to the State Department of Agriculture, there were over 150 funding sources related to mandatory licensing or product registration. The current process was labor-intensive because real-time integrated information was not available for reports. In fiscal year (FY) 2014, the Department contracted with Ewell Educational Services, Inc., to automate the brand inspection and pesticide registration processes by creating an online, integrated system that accepted customer payments and online inquiries for information. That system, according the State Department of Agriculture, reduced staff time spent processing paperwork, mailing certificates, and researching accounts in response to customer inquiries. Under the current Ewell Educational Services, Inc. contract for the livestock inspection program, he explained, the contract amount was 3 percent of livestock inspection, brand rerecording and livestock assessment fees paid quarterly, not to exceed \$132,831. The new requested system would automate payments and processes through all fee-collecting functions.

Mr. Stieber explained that the Governor recommended funding for \$155,649 over the 2017-2019 biennium, including reserve reductions of \$55,368 to support a fully integrated departmentwide TIR. The State Department of Agriculture, he noted, would avoid approximately \$23,000 per year in costs associated with printing and mailing expenditures.

He asked whether the Subcommittees wanted to approve a departmentwide TIR for an automated information system for registrations, licenses, certifications, permits, inspections, testing, and training, as recommended by the Governor, and to provide Fiscal staff with authority to reduce printing and mailing expenditures by \$23,000 departmentwide based on financial benefits estimated in the TIR as a result of the execution of this system.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR PARKS MOVED TO APPROVE A TECHNOLOGY INVESTMENT REQUEST FOR AN AUTOMATED INFORMATION SYSTEM AS RECOMMENDED BY THE GOVERNOR AND TO PROVIDE FISCAL ANALYSIS DIVISION STAFF WITH AUTHORITY TO REDUCE DEPARTMENTWIDE PRINTING AND MAILING EXPENDITURES BY \$23,000.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber discussed the third major closing issue: additional travel and training. The Governor recommended reserve reductions of \$48,410 over the 2017-2019 biennium to increase travel expenditures so staff could attend conferences, training seminars, staff meetings, committee meetings, stakeholder meetings, and training for the new equipment purchase.

Mr. Stieber questioned whether, pursuant to decisions made by the Subcommittee members in budget account 4554, the Subcommittees wanted to approve reserve reductions of \$24,205 for travel and training expenditures. The reduced amount accounted for the 50 percent reduction in travel, he noted.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR FORD MOVED TO APPROVE \$24,205 FOR TRAVEL AND TRAINING EXPENDITURES.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber noted that Fiscal Analysis Division staff recommended other closing items be closed as recommended in The Executive Budget. Fiscal staff noted that there was a budget amendment for budget account 4545 to modify the funding source for one agriculture enforcement officer. That position, he said, was currently funded 100 percent with pesticide registration fees. The proposed funding would change the funding to 75 percent State General Fund appropriations and 25 percent pesticide registration fees. He noted that the funding change was not an action item at this time.

Mr. Stieber asked whether the Subcommittees wanted to approve other closing items as recommended by the Governor and provide Fiscal Analysis Division staff with the authority to make technical adjustments as necessary.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR PARKS MOVED TO DIRECT FISCAL ANALYSIS DIVISION STAFF TO DETERMINE THE APPROPRIATENESS OF THE BUDGET AMENDMENT, TO BRING THE ANALYSIS AND OPTIONS TO THE FULL COMMITTEES FOR CONSIDERATION FOR THE STATE DEPARTMENT OF AGRICULTURE'S BUDGET CLOSING, AND TO APPROVE OTHER CLOSING ITEMS AS RECOMMENDED BY THE GOVERNOR, WITH AUTHORITY FOR FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

COMMERCE & INDUSTRY
DEPARTMENT OF AGRICULTURE
AGRI - PLANT HEALTH & QUARANTINE SERVICES (101-4540)
BUDGET PAGE AGRICULTURE-27

Jon Stieber, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented the State Department of Agriculture's budget account 4540, Plant Health and Quarantine Services, for closing. He explained that there was one major closing issue in the budget account: the drought-monitoring program and its new positions.

As background, Mr. Stieber explained that the Nevada Drought Forum was formed by Governor Sandoval in April 2015 to address water resource challenges related to severe and sustained drought conditions that affected much of the state. Based on recommendations from the Nevada Drought Forum, the Governor recommended funding a new drought initiative. The initiative, he said, would create multiagency coordination of data to drive a drought-monitoring program and recommendation system for the Office of the Governor and to create a network to monitor drought conditions statewide. The Executive Budget, he continued, included State General Fund appropriations of \$966,347 over the 2017-2019 biennium to fund the State Department of Agriculture's portion of the drought monitoring efforts, including new personnel, travel costs, a contract with the Desert Research Institute, funding for a water conservation incentive program, and operating expenditures.

The Governor, he continued, recommended one full-time environmental scientist position and a part-time agriculturist position responsible for collaborating with network organizations to increase and enhance the accuracy of data by establishing standards for data collection, reporting, and monitoring activities. During the February 8, 2017, budget hearing, the Subcommittees had expressed concern that the duties of the recommended environmental scientist position duplicated the efforts performed by the state climatologist. The State Department of Agriculture responded, he stated, by explaining that the state climatologist was involved in the recommendation to the Governor for a new position. While the state climatologist's duties related to drought, the new environmental scientist position would communicate with the Division of Water Resources, Department of Conservation and Natural Resources, and focus specifically on drought resiliency and agriculture. Additionally, he said, the position would be part of a working group of climate professionals to set goals and assess recommendations for drought monitoring, including information needs, prioritization of efforts, strategies, and funding strategies. He added that \$22,490 for travel was included in this decision unit, as well as a contract with the Desert Research Institute. That contract included 21 weather-monitoring stations in areas where weather data was needed and not monitored by any other agency.

Mr. Stieber said the proposed water conservation incentive pool would help to improve producer education on water-saving management and techniques and provide funding for water conservation. The State Department of Agriculture estimated that 390 farms would benefit from the \$500,000 water conservation incentive program budget, creating significant water savings. The Department indicated that the incentive pool would be administered through an application process, and projects would be ranked and rated based on water conservation benefits compared to project costs.

Mr. Stieber stated that the operating and other line item covered furniture, equipment, Enterprise Information Technology Services' assessments, and miscellaneous employee expenses.

The drought-monitoring program, Mr. Stieber concluded, had been identified as one of the Governor's strategic priorities in that it helped to protect and sustainably manage Nevada's natural resources by promoting water conservation and management actions that prepared the state for severe drought conditions.

Mr. Stieber asked whether the Subcommittees wanted to approve State General Fund appropriations of \$775,458 in fiscal year (FY) 2018 and \$179,644 in FY 2019 for the drought-monitoring program, the water conservation incentive pool, new positions, and related expenditures, as recommended by the Governor.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

ASSEMBLYWOMAN DIAZ MOVED TO APPROVE STATE GENERAL FUND APPROPRIATIONS OF \$775,458 IN FY 2018 AND \$179,644 IN FY 2019 FOR THE DROUGHT-MONITORING PROGRAM, THE WATER CONSERVATION INCENTIVE POOL, AND NEW POSITIONS AND RELATED EXPENDITURES AS RECOMMENDED BY THE GOVERNOR, AS ADJUSTED BY THE 50 PERCENT REDUCTION IN TRAVEL EXPENSES.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber stated that there were three other closing items that Fiscal Analysis Division staff recommended closing as included in The Executive Budget. He asked whether the Subcommittees wanted to approve other closing items as recommended by the Governor and provide Fiscal Analysis Division staff with authority to make technical adjustments as necessary.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR FORD MOVED TO APPROVE OTHER CLOSING ITEMS AS RECOMMENDED BY THE GOVERNOR, WITH AUTHORITY FOR FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

COMMERCE & INDUSTRY
DEPARTMENT OF AGRICULTURE
AGRI - VETERINARY MEDICAL SERVICES (101-4550)
BUDGET PAGE AGRICULTURE-38

Jon Stieber, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented the State Department of Agriculture's budget account 4550, Veterinary Medical Services, for closing. He explained that there were two major closing issues. The first major closing issue was the reestablishment of an Elko laboratory as well as new laboratory expenditures. The Governor had recommended \$339,223 of State General Fund appropriations over the 2017-2019 biennium for equipment, travel, and operating

expenditures for the Elko laboratory, as well as a new biologist position. The State Department of Agriculture indicated that the Elko laboratory provided necropsy services for all animal species. During the period from July 5, 2016, through March 2, 2017, he noted that the State Department of Agriculture said that 344 samples were submitted to the Elko laboratory; the Department indicated that 302 equine infectious anemia (EIA) tests had been performed between September 22, 2016, and March 9, 2017; and 30 postmortem examinations had been performed. The first enzyme-linked immunosorbent assay test for EIA was performed on September 22, 2016, more than five years since the last enzyme-linked immunosorbent test was performed at that location.

Mr. Stieber recounted that during the February 8, 2017, budget hearing before the General Government Subcommittees, the State Department of Agriculture testified that the Elko Laboratory shipped samples out-of-state or to the Sparks laboratory because Elko lacked the resources and capacity to perform more specialized testing. Test results might not be reported back to the state veterinarian for weeks, although reportable diseases usually required a 24-hour notice. The State Department of Agriculture noted that reestablishing the Elko laboratory would increase disease traceability for the state veterinarian, and as a result, the state would no longer be dependent on delays associated with third-party reports from out-of-state or from the Sparks laboratory.

Mr. Stieber discussed the new lab expenditures and the decision units to support the Elko laboratory. The first decision unit was new equipment for the lab. The Governor recommended State General Fund appropriations of \$188,503 over the 2017-2019 biennium. He noted that of the \$188,503 requested, \$93,887 was intended for equipment for the Sparks laboratory. The State Department of Agriculture indicated that it lacked the basic equipment needed to perform more involved testing, such as DNA testing of trichomonas, bovine viral diarrhea, and Brucella abortus.

During the February 8, 2017, budget hearing, Mr. Stieber continued, the Subcommittees asked the State Department of Agriculture to investigate whether any of the equipment in the Elko laboratory before its closure was available to reequip the Elko laboratory rather than purchase new equipment. The State Department of Agriculture replied that the previous equipment was beyond its useful life and could not be used at this time.

Mr. Stieber asked whether the Subcommittees wanted to approve \$188,503 in State General Fund appropriations for new equipment for the Sparks and Elko laboratories, as recommended by the Governor.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR FORD MOVED TO APPROVE \$188,503 IN STATE GENERAL FUND APPROPRIATIONS FOR NEW EQUIPMENT FOR THE SPARKS AND ELKO LABORATORIES AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber stated that the second decision unit was laboratory operating supplies. He said that the Governor recommended State General Fund appropriations of \$53,014 over the 2017-2019 biennium to increase operating expenditures at the Elko laboratory, including \$41,014 for testing and sampling supplies and \$12,000 for diesel fuel for the state veterinarian to travel throughout Nevada. The State Department of Agriculture specified that because the laboratory in Elko was reopened, there was a need for additional supplies to operate two laboratories, and the Elko laboratory would be accepting increased samples, tests, and necropsies.

Mr. Stieber asked whether the Subcommittees wanted to approve \$53,014 in State General Fund appropriations to support operating supplies and diesel fuel expenditures for the Elko laboratory as recommended by the Governor.

Chair Swank asked for any questions. Assemblywoman Spiegel asked whether the diesel fuel in this budget account would also be subject to the 50 percent travel reduction. Mr. Stieber explained that diesel fuel was not included in the travel reduction decision.

Chair Swank requested a motion to approve the request.

ASSEMBLYMAN EDWARDS MOVED TO APPROVE \$53,014 IN STATE GENERAL FUND APPROPRIATIONS FOR OPERATING SUPPLIES AND DIESEL FUEL EXPENDITURES FOR THE ELKO LABORATORY AS RECOMMENDED BY THE GOVERNOR.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber covered the last item under the first major closing issue, a travel increase. The Governor recommended State General Fund appropriations of \$36,421 in each year of the 2017-2019 biennium to increase department travel expenditures. He explained that according to the State Department of Agriculture, staff who worked with zoonotic diseases

were required to have annual training that was only offered out-of-state. In addition, the State Department of Agriculture moved the state veterinary office from Sparks to Elko. The state veterinarian was required to travel to attend board meetings and training; to investigate diseases; to protect agricultural commodities; and to interact with health-care providers, livestock producers, sale barns, federal partners, and the public to improve public outreach.

Mr. Stieber questioned whether, pursuant to decisions made by the Subcommittees in budget account 4554, the Subcommittees wanted to approve \$18,210 in State General Fund appropriations in each fiscal year for Elko laboratory travel expenditures.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

ASSEMBLYWOMAN DIAZ MOVED TO APPROVE \$18,210 IN STATE GENERAL FUND APPROPRIATIONS IN EACH FISCAL YEAR OF THE BIENNIUM FOR ELKO LABORATORY TRAVEL EXPENDITURES.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber next addressed the second major closing issue, a new biologist position for the Elko laboratory. The Governor recommended State General Fund appropriations of \$118,751 over the 2017-2019 biennium to support a new biologist position and associated costs. The new position, he stated, would report to the state veterinarian and provide testing and surveillance for zoonotic diseases, community outreach for the prevention of biological diseases, and resource management planning. In addition, the State Department of Agriculture indicated that the biologist position would collect survey data pertaining to wildlife, land, water, livestock, and resource use for the purpose of analysis and development of resource management plans as related to agriculture operations throughout Nevada. The new biologist position would also interact with partner agencies to ensure the best decisions were made regarding interactions between domestic and wild animals and the public.

He asked whether the Subcommittees wanted to approve the Governor's recommendation of \$118,751 to fund a new full-time biologist position located in Elko, as recommended by the Governor.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR FORD MOVED TO APPROVE \$118,751 TO FUND A NEW FULL-TIME BIOLOGIST POSITION IN THE ELKO LABORATORY AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber explained that there were many other closing items for this budget account, and he noted that Fiscal Analysis Division staff recommended closing the items as included in The Executive Budget.

Mr. Stieber asked whether the Subcommittee members wanted to approve other closing items No. 1 and No. 2 and other closing items No. 4 and No. 5 as recommended by the Governor. He asked whether Subcommittee members wanted to approve other closing item No. 3, the agriculture data system project, based on the Subcommittees' actions taken during the earlier budget account 4545, Agriculture Registration and Enforcement, and provide Fiscal Analysis Division staff with authority to make technical adjustments as necessary.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

ASSEMBLYWOMAN DIAZ MOVED TO APPROVE OTHER CLOSING ITEMS NO. 1, NO. 2, NO. 4, AND NO. 5, AS RECOMMENDED BY THE GOVERNOR, AND OTHER CLOSING ITEM NO. 3 AS RECOMMENDED BY THE SUBCOMMITTEES, BASED ON ACTIONS TAKEN EARLIER IN BUDGET ACCOUNT 4545, AGRICULTURE REGISTRATION AND ENFORCEMENT BUDGET, AND WITH AUTHORITY FOR FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

COMMERCE & INDUSTRY
DEPARTMENT OF AGRICULTURE
AGRI - LIVESTOCK INSPECTION (101-4546)
BUDGET PAGE AGRICULTURE-48

Jon Stieber, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented the State Department of Agriculture's budget account 4546, Livestock Inspection, for closing. He explained that there were three major closing issues. The first major closing issue he detailed was the transition of state employees to contract positions. The Governor recommended transitioning current brand inspector positions from seasonal state employees to contracted employees of Manpower Northern Nevada as recommended in the State of Nevada, Department of Administration, Division of Internal Audits, Audit Report No. 15-02, Department of Agriculture, Division of Animal Industries, dated December 2014. To effect this transition, he continued, the Governor recommended transferring \$707,642 in existing personnel authority and in-state travel to operating contract expenditures and reserve. The requested transfer amount from personnel authority included a one-time accrued leave payout of \$47,804, generally required when employees separated from state service.

Mr. Stieber explained that Fiscal Analysis Division staff noted that travel expenditures for brand inspectors had been erroneously excluded from The Executive Budget, which when added back, would reduce the ending fiscal year (FY) 2019 reserve balance by \$200,670 and result in a deficit to be discussed in the second major closing issue. The deficit, he said, was determined using the FY 2016 actual travel expenditures for FY 2018 and FY 2019, while the amount recommended in The Executive Budget for brand inspector travel in FY 2018 and FY 2019 was \$0.

Mr. Stieber explained that brand inspectors protected livestock producers and owners from theft and unfair business practices by recording brands and then inspecting those branded livestock that were presented for sale, preceding shipment out-of-state or out-of-district, or before slaughter.

According to the State Department of Agriculture, Mr. Stieber indicated that transferring to Manpower Northern Nevada would result in a savings of \$36,025. Mileage expense would be reimbursed at the federally reimbursed rate and paid to brand inspectors through the Manpower Northern Nevada contract. He noted that Manpower Northern Nevada contracted employees would not drive state vehicles.

Mr. Stieber asked whether the Subcommittees wanted to approve the transition of current state brand inspectors to contracted Manpower Northern Nevada positions and to restore brand inspector travel expenditures of \$100,335 for each year of the 2017-2019 biennium.

Chair Swank asked for any questions from Subcommittee members.

Assemblywoman Diaz asked Mr. Stieber to remind her why there was a need to shift from state employees to a contracted service. Mr. Stieber answered that the shift would recognize a cost savings of \$2.42 per hour. This budget account, he detailed, had always struggled to maintain sufficient reserves, so decreasing the cost would increase the reserve levels without affecting the service level provided to the industry. Many of the brand inspectors, he said, were part-time and on an as-needed basis, so leave time was accrued with no expectation to use the time earned, since inspectors were only called in to work when needed.

Chair Swank reminded Subcommittee members that brand inspectors were agreeable to the transition from state employees to contracted employees.

Chair Swank requested a motion to approve the request.

ASSEMBLYWOMAN SPIEGEL MOVED TO APPROVE THE TRANSITION OF STATE EMPLOYEE BRAND INSPECTORS TO CONTRACTED MANPOWER NORTHERN NEVADA POSITIONS AND TO APPROVE THE RESTORATION OF BRAND INSPECTOR TRAVEL EXPENDITURES OF \$100,335 FOR EACH YEAR OF THE 2017-2019 BIENNIUM.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber stated that the next major closing item was the reserve deficit. The Governor's recommendation, he noted, reflected a decline in the ending reserve to \$140,023, or 38 days of operating expenditures by the end of FY 2019, if all expenditures were approved as recommended. The budgeted reserve balance relied in part on the elimination of brand inspector travel expenditures of \$200,670. After brand inspector travel was restored (see above), the budgeted reserve would decline to a deficit of \$60,647 by the end of FY 2019, if all decision units were approved as recommended by the Governor. Further, he stated, the adjusted reserve balance would be \$239,967 short of the amount needed to retain the recommended 45-day level of reserves.

Mr. Stieber said that to bring the budget to solvency and to have the recommended 45 days of reserve, or \$179,320 of expenditures in reserve, budget modifications would be required. He explained that a budget amendment was received from the Office of Finance, Office of the Governor, on April 3, 2017, which was later replaced with a different version. To address the reserve matter, he said that Fiscal Analysis Division staff developed five options for the Subcommittees' consideration:

1. An increase in brand inspection fee and/or livestock assessment tax revenues. Fees for the inspection of livestock were \$10 for the first head, and then \$1 for each additional head inspected. Similarly, the fee for horse inspections was \$10 for the first horse, and then \$3 for each additional horse inspection. To make the budget solvent, the \$1 fee for each additional head of livestock would have to be increased to \$1.50 to \$1.75 per head. This option, Mr. Stieber noted, would require an amendment to the *Nevada Administrative Code* and/or a modification to the *Nevada Revised Statutes*.
2. A reduction in expenditures or the elimination of personnel. The Department had indicated that if reductions in expenditures were required, two filled agriculture enforcement officer positions out of the four budgeted agriculture enforcement officer positions would be eliminated. Eliminating the two designated positions, he said, would result in \$296,754 in savings over the biennium, which excluded accrued leave and potential buyouts.
3. An elimination of discretionary enhancements of \$244,657 over the biennium.
4. A change in funding so State General Fund appropriations supported agriculture enforcement officer positions. He noted that Subcommittee members had previously expressed an interest in exploring alternative funding sources for the agriculture enforcement officer positions, specifically using State General Fund appropriations to support the positions. Fiscal Analysis Division staff noted that \$657,088 in State General Fund appropriations would be required over the 2017-2019 biennium to fully fund the salary and benefit expenses for the four positions. Fiscal staff offered that a lower amount could be provided to address the reserve deficit and to recognize the portion of officers' time spent working on matters outside of the agricultural industry.
5. A combination of the four options listed above that would increase fees and reduce expenditures.

Mr. Stieber recalled that the State Department of Agriculture had an agriculture enforcement unit under the Plant Industry Program budget (budget account 4540) that was 75 percent funded from State General fund appropriations and 25 percent funded from Livestock Inspection budget transfers. However, the 75th Legislative Session (2009) eliminated three of the four agriculture enforcement officer positions to generate State General Fund savings during the recession and transferred the remaining agriculture enforcement officer position to the Livestock Inspection budget, with 100 percent of the responsibilities for the agriculture enforcement unit.

Referring back to the budget amendment received from the Office of Finance, Office of the Governor, on April 3, 2017, and revised on April 14, 2017, Mr. Stieber explained that the

budget amendment changed the funding source for four agriculture enforcement officer positions to 75 percent State General Fund appropriations and 25 percent funding from livestock inspection fee revenue. The budget amendment, he continued, also reduced the equipment expenditures and restored the \$100,335 in travel expenditures for brand inspectors.

Recognizing that the State Department of Agriculture had insufficient reserves and a budget deficit after brand inspector travel was restored in The Executive Budget, Mr. Stieber asked which of the five options the Subcommittee members preferred.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair said that given the receipt of the budget amendment, she would suggest deferring the decision to the full committees, with input from Fiscal Analysis Division staff regarding the appropriateness of the amendment.

SENATOR FORD MOVED TO DEFER CLOSING ON THE MAJOR CLOSING ISSUE TO THE FULL COMMITTEES, TO DIRECT FISCAL ANALYSIS DIVISION STAFF TO DETERMINE THE APPROPRIATENESS OF THE AMENDMENT, AND TO BRING THE ANALYSIS AND OPTIONS TO THE FULL COMMITTEES FOR CONSIDERATION WHEN THE STATE DEPARTMENT OF AGRICULTURE BUDGET WAS CLOSED.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber stated that the third major closing issue was new brand inspector vehicles and equipment. The Governor recommended reserve reductions of \$68,236 to purchase eight used vehicles, eight clippers, and ten firearms over the 2017-2019 biennium for brand inspectors and agriculture enforcement officers. The State Department of Agriculture, he noted, indicated that contract personnel would provide transportation when performing brand inspections and would not have access to state-owned vehicles. Because the brand inspectors were transitioned from state service to contract service, Mr. Stieber noted that Fiscal Analysis Division staff recommended eliminating \$60,000 for brand inspector vehicle purchases since the vehicles would no longer be needed.

Mr. Stieber asked whether the Subcommittees wanted to approve new brand inspector vehicles and equipment as recommended by the Governor and provide Fiscal Analysis Division staff with authority to make technical adjustments based on the Subcommittees' previous actions on the first and second major closing issues.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR PARKS MOVED TO APPROVE BRAND INSPECTOR VEHICLES AND EQUIPMENT AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS BASED ON SUBCOMMITTEE ACTIONS ON THE FIRST AND SECOND MAJOR CLOSING ISSUES.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber explained that there were several other closing items covering various expenditures. Fiscal Analysis Division staff recommended the other closing items be closed as included in The Executive Budget. He asked whether the Subcommittees wanted to approve other closing items No. 1 through No. 3; other closing items No. 5 through No. 7, as recommended by the Governor; other closing item No. 4, as recommended by the Subcommittees based on actions taken under budget account 4545, Agriculture Registration and Enforcement; and to provide Fiscal Analysis Division staff with authority to make technical adjustments as necessary, subject to the Subcommittees' actions on major closing issues.

Mr. Stieber further noted that, in accordance with previous adjustments by the Subcommittees, other closing item No. 2, a travel and training increase, would be reduced to \$18,218 over the 2017-2019 biennium.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

ASSEMBLYWOMAN DIAZ MOVED TO APPROVE OTHER CLOSING ITEMS NO. 1 THROUGH NO. 3; OTHER CLOSING ITEMS NO. 5 THROUGH NO. 7, AS RECOMMENDED BY THE GOVERNOR; OTHER CLOSING ITEM NO. 4, AS RECOMMENDED BY THE SUBCOMMITTEES BASED ON ACTIONS TAKEN FOR BUDGET ACCOUNT 4545, AGRICULTURE REGISTRATION AND ENFORCEMENT; AND TO PROVIDE FISCAL ANALYSIS DIVISION STAFF WITH AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY SUBJECT TO THE SUBCOMMITTEES' ACTIONS ON MAJOR CLOSING ISSUES. THIS MOTION INCLUDED A REDUCTION FOR TRAVEL AND TRAINING TO \$18,218.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

COMMERCE & INDUSTRY
DEPARTMENT OF AGRICULTURE
AGRI - CONSUMER EQUITABILITY (101-4551)
BUDGET PAGE AGRICULTURE-61

Jon Stieber, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented the State Department of Agriculture's budget account 4541, Consumer Equitability, for closing. He explained that there was one major closing issue—two new weights and measures inspector positions. The Governor's recommendation, he said, was for reserve reductions of \$113,674 in fiscal year (FY) 2018 and \$145,915 in FY 2019 to support two new weights and measures positions and associated costs.

Mr. Stieber stated that during the February 8, 2017, budget hearing, the State Department of Agriculture's projected funding would be insufficient to support the new positions for the 2017-2019 biennium and maintain the 45-day reserve as recommended. To remedy the shortfall, he offered, the Office of Finance, Office of the Governor, submitted Budget Amendment A171984551 on March 28, 2017, proposing that the recommendation for the new weights and measures inspector positions be eliminated to restore reserve levels. The State Department of Agriculture agreed with this recommendation and indicated that if fee revenue would support the additional positions and the workload justified the need for the positions, the State Department of Agriculture would approach the Interim Finance Committee to request the positions.

Mr. Stieber said that Fiscal Analysis Division staff recognized that the State Department of Agriculture had insufficient funding to support the two new weights and measures inspector positions. Because of this, Fiscal staff recommended the Subcommittees approve the Governor's budget amendment to eliminate this decision unit and authorize the State Department of Agriculture to approach the Interim Finance Committee during the 2017-2019 biennium if workload and funding supported the additional positions.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR FORD MOVED TO APPROVE THE GOVERNOR'S
AMENDED RECOMMENDATION TO ELIMINATE THIS DECISION
UNIT AND TO AUTHORIZE THE STATE DEPARTMENT OF
AGRICULTURE TO APPROACH THE INTERIM FINANCE

COMMITTEE IF WORKLOAD AND FUNDING SUPPORTED THE
ADDITIONAL POSITIONS.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not
present for the vote.)

Mr. Stieber stated that there were several other closing items covering various expenditures. Fiscal Analysis Division staff recommended other closing items be closed as included in The Executive Budget. He asked whether the Subcommittees wanted to approve other closing items No. 1 through No. 3; other closing items No. 5 through No. 8, as recommended by the Governor; other closing item No. 4, as recommended by the Subcommittee members based on actions taken in budget account 4545, Agriculture Registration and Enforcement; and to provide Fiscal Analysis Division staff with authority to make technical adjustments as necessary.

Mr. Stieber further noted that in accordance with previous adjustments by the Subcommittees, other closing item No. 2, travel, would be reduced to \$7,545 over the 2017-2019 biennium.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

ASSEMBLYWOMAN DIAZ MOVED TO APPROVE OTHER CLOSING
ITEMS NO. 1 THROUGH NO. 3; OTHER CLOSING ITEMS
NO. 5 THROUGH NO. 8, AS RECOMMENDED BY THE GOVERNOR;
OTHER CLOSING ITEM NO. 4, AS RECOMMENDED BY THE
SUBCOMMITTEES BASED ON ACTIONS TAKEN FOR
BUDGET ACCOUNT 4545, AGRICULTURE REGISTRATION AND
ENFORCEMENT; AND TO PROVIDE FISCAL ANALYSIS DIVISION
STAFF WITH AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS
AS NECESSARY. THIS MOTION INCLUDED A REDUCTION FOR
TRAVEL TO \$7,545.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not
present for the vote.)

COMMERCE & INDUSTRY
DEPARTMENT OF AGRICULTURE
AGRI - DAIRY FUND (233-4470)
BUDGET PAGE AGRICULTURE-84

Jon Stieber, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented the State Department of Agriculture's budget account 4470, Dairy Fund, for closing. He explained that there were two major closing issues. The first major closing issue he detailed was a request for a Manpower Northern Nevada contract to transport "Moolisa," a robotic fiberglass dairy cow model, to various events promoting the dairy industry. The Governor recommended reserve reductions, according to Mr. Stieber, of \$66,650 over the 2017-2019 biennium to transport the model. The State Department of Agriculture estimated that it would cost \$31,200 annually, plus other associated costs such as proposed fuel and per-diem costs. Fiscal Analysis Division staff noted that in fiscal year (FY) 2016, Moolisa attended 13 events with event durations ranging from a single day to one month. If this decision unit was approved as recommended by the Governor, State Department of Agriculture staff indicated that the number of Moolisa events would likely double.

Mr. Stieber asked whether the Subcommittee members wanted to approve a Manpower Northern Nevada contract to transport Moolisa and to provide nutrition education on the importance of dairy products to the public as recommended by the Governor.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

ASSEMBLYWOMAN SPIEGEL MOVED TO APPROVE A MANPOWER
NORTHERN NEVADA CONTRACT TO TRANSPORT MOOLISA AND
TO PROVIDE NUTRITION EDUCATION ON THE IMPORTANCE OF
DAIRY PRODUCTS TO THE PUBLIC AS RECOMMENDED BY THE
GOVERNOR.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not
present for the vote.)

Mr. Stieber stated that the second major closing issue was new equipment purchases. The Governor recommended reserve reductions of \$133,682 over the 2017-2019 biennium for the purchase of a new trailer, a new Moolisa model for public presentations, and specialized laboratory equipment to carry out departmental objectives. The existing Moolisa, he explained, would remain in Northern Nevada, and the new Moolisa would be dedicated to Southern Nevada. The trailer would be used to transport both displays and equipment to various events for promoting the dairy industry in Nevada. The new laboratory equipment,

he said, would allow the lab to perform testing unavailable with current equipment, reduce long-term labor and material costs associated with testing, increase the sample capacity of the lab to accommodate marijuana testing, and allow the laboratory to meet regulatory cannabis testing.

Mr. Stieber asked whether the Subcommittee members wanted to approve reserve reductions of \$133,682 for equipment purchases as recommended by the Governor.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

ASSEMBLYMAN EDWARDS MOVED TO APPROVE RESERVE REDUCTIONS OF \$133,682 FOR EQUIPMENT PURCHASES AS RECOMMENDED BY THE GOVERNOR.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Mr. Stieber explained that there were several other closing items covering various expenditures. Fiscal Analysis Division staff recommended the other closing items be closed as included in The Executive Budget. He asked whether the Subcommittees wanted to approve other closing items No. 1 through No. 4; other closing items No. 6 and No. 7, as recommended by the Governor; other closing item No. 5, as recommended by the Subcommittees based on actions taken under budget account 4545, Agriculture Registration and Enforcement; and to provide Fiscal Analysis Division staff with authority to make technical adjustments as necessary subject to the Subcommittees' actions on major closing issues.

Mr. Stieber further noted that in accordance with previous adjustments by the Subcommittees, other closing item No. 2, travel, would be reduced to \$7,350 over the 2017-2019 biennium.

Chair Swank asked for any questions from Subcommittee members, and hearing no questions, the Chair requested a motion to approve the request.

SENATOR FORD MOVED TO APPROVE OTHER CLOSING ITEMS NO. 1 THROUGH NO. 4; OTHER CLOSING ITEMS NO. 6 AND NO. 7, AS RECOMMENDED BY THE GOVERNOR; OTHER CLOSING ITEM NO. 5, AS RECOMMENDED BY THE SUBCOMMITTEES BASED ON ACTIONS TAKEN FOR BUDGET ACCOUNT 4545, AGRICULTURE REGISTRATION AND ENFORCEMENT; AND TO PROVIDE FISCAL

ANALYSIS DIVISION STAFF WITH AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY SUBJECT TO THE SUBCOMMITTEES' ACTIONS ON MAJOR CLOSING ISSUES. THIS MOTION INCLUDED A REDUCTION FOR TRAVEL TO \$7,350.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

Chair Swank opened the floor for public comment.

Chris Daly, Deputy Executive Director of Government Relations, Nevada State Education Association (NSEA), explained that this was his last opportunity to address the Subcommittees before the work session on the Public Employees' Benefits Program (PEBP) budget. He wanted to refresh Subcommittee members on the nonstate retirees in the high-risk pool of PEBP. The NSEA, he stated, represented the majority of the 1,700 retirees referred to as "orphans." He hoped the Subcommittees would effectively address the matter of the retirees faced with increasingly high premiums and deductibles for health insurance.

Hearing no other public comment, Chair Swank adjourned the meeting at 9:15 a.m.

RESPECTFULLY SUBMITTED:

Carmen Neveau
Committee Secretary

APPROVED BY:

Assemblywoman Heidi Swank, Chair

DATE: _____

Senator Aaron D. Ford, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.