

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

**Eightieth Session  
February 7, 2019**

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 8:03 a.m. on Thursday, February 7, 2019, in Room 3137 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/80th2019](http://www.leg.state.nv.us/App/NELIS/REL/80th2019).

**ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:**

Assemblywoman Heidi Swank, Chair  
Assemblywoman Daniele Monroe-Moreno, Vice Chair  
Assemblywoman Teresa Benitez-Thompson  
Assemblywoman Sandra Jauregui  
Assemblyman Al Kramer  
Assemblyman Jim Wheeler

**SENATE SUBCOMMITTEE MEMBERS PRESENT:**

Senator Yvanna D. Cancela  
Senator Pete Goicoechea  
Senator David R. Parks

**STAFF MEMBERS PRESENT:**

Sarah Coffman, Principal Deputy Fiscal Analyst  
Colby Nichols, Program Analyst  
Carmen M. Neveau, Committee Secretary  
Lisa McAlister, Committee Assistant

After roll was called, Chair Swank reminded the audience that meetings started at 8 a.m., and she asked those present to turn cell their phones off and, when testifying, sign in for the meeting, leave a business card with the Subcommittee secretary, state the testifier's full name, title and agency or company name, and repeat the name each time the testifier spoke. Further, Chair Swank asked testifiers to define all acronyms and to leave a written copy of all testimony with the Subcommittee secretary.



Chair Swank opened the meeting for public comment, and hearing none, she asked the State Department of Agriculture to begin its budget presentations.

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF AGRICULTURE**  
**AGRI - AGRICULTURE ADMINISTRATION (101-4554)**  
**BUDGET PAGE AGRICULTURE-6**

Jerri Conrad, Interim Director, State Department of Agriculture (NDA), referenced the "2020-2021 [2019-2021] Subcommittee on General Government" presentation dated February 7, 2019, [Exhibit C](#). The NDA's mission was to promote a business climate that was fair, economically viable, and encouraged environmental stewardship that served to protect food, fiber, and human health and safety through effective service and education. The staff in NDA's five divisions, including Administration, Animal Industry, Consumer Equitability, Food and Nutrition, and Plant Industry, supported the work of the mission.

Ms. Conrad stated that page 3 of [Exhibit C](#) depicted the Department's organizational chart, and noted that there were 145 full-time-equivalent (FTE) positions across all divisions at NDA. Page 4 of [Exhibit C](#) summarized the funding by source. The funding recommendation for the 2019-2021 biennium included 85 percent from federal funding, 14 percent from fees and other sources, and 1 percent from the State General Fund, which is similar to the legislatively approved funding percentages for the 2017-2019 biennium.

At this point, Ms. Conrad skipped to page 95 of [Exhibit C](#). She said that the Administration Division provided NDA with services such as information technology (IT), fiscal support, communications and promotions, facility and fleet maintenance, and the marketing trade program.

Page 96 of [Exhibit C](#), Ms. Conrad said, outlined the Administration Division's organizational chart, including 25 staff members serving other NDA divisions. Page 97 of [Exhibit C](#) covered the recommended enhancements for budget account (BA) 4554. The first enhancement, decision unit Enhancement (E) 226, funded in-state travel for two staff members to support the Division and included adjustments for projected increases in travel costs. Decision unit E-227 funded out-of-state travel for two staff members, training, and additional adjustments for an expected increase in travel costs. She stated that decision unit E-228 recommended funding to cover continued advertising and marketing for the Buy Nevada program.

Ms. Conrad continued with decision unit E-229 on page 98 of [Exhibit C](#) noted that there were 145 FTE positions across the divisions, supported by an IT manager and an IT professional. The two IT staff members supported all of NDA, including staff at six remote locations. She said the two IT staff members housed in the Food and Nutrition

Division worked on software development and programming, and she wanted to cost allocate 20 percent of their time across the Department to provide more efficient service delivery.

Also in BA 4554, Ms. Conrad noted that decision unit E-710 recommended equipment replacement according to the Enterprise Information Technology Services, Department of Administration, recommended replacement schedule, and decision unit E-720 recommended funding for new equipment.

Chair Swank asked for questions from the Subcommittee members.

Assemblywoman Benitez-Thompson asked for more detail on Ms. Conrad's plans for in-state and out-of-state travel. Ms. Conrad said that in-state travel was for a business process analyst who was the Geographic Information System (GIS) specialist, and an Accounting Specialist. The GIS specialist position was not included in the NDA budget account for the 2017-2019 budget session, and no travel was included for that position. This recommendation was intended to cover that travel. The in-state travel covered surveying trips to conduct vegetation and weed monitoring and soil surveying, activities that helped to monitor vegetative health and determine agricultural land viability. Often these surveying assignments were at the request of other state agencies and averaged ten requests per year. These tasks, she clarified, were vital to the services provided by NDA and how NDA worked with its federal and state partners. The in-state trips could also be for training and education. The training and education also helped other state agencies, such as the Department of Wildlife and the Department of Transportation. The in-state travel also supported use of the Early Detection and Distribution Mapping System (EDDMapS), an online mapping database that allowed the public to take pictures of noxious weeds, for example, and then the data was verified and the results mapped by the NDA GIS specialist. She noted that the verification called for in-state travel.

Assemblywoman Benitez-Thompson asked whether onsite inventory counts would be performed by the accountant position. Ms. Conrad affirmed the accountant would perform inventory counts.

Assemblywoman Benitez-Thompson asked about the inventory counts that were not included in the 2017-2019 biennium budget and wondered whether there was a backlog. Ms. Conrad said that there was no backlog. The NDA internal controls required one person to physically count every item. This staffer, located in the Sparks office, travelled to Elko and Las Vegas to perform inventory counts. She clarified that NDA did not have anyone performing this function before.

Assemblywoman Benitez-Thompson asked if this recommendation was related to a decision to move a remote Elko office to Sparks and the ongoing conversations about whether the travel budget was filling gaps because of that move. Ms. Conrad replied that there were offices in Elko and Las Vegas and staff in both offices, but the accounting and fiscal staff were housed in Sparks.

Assemblyman Kramer asked about the promotions budget and whether the promotions effort was effective and worthy of additional funding. Ms. Conrad said that the Buy Nevada recommendation used reserve funds. The program was restructured last year because of what NDA had learned since the program was created and from experiences of other western states. The restructuring made the program more attractive to members and engaged consumers who wanted to purchase food and agriculture products. New memberships and renewals had not been promoted in the last year, but other western states had demonstrated how effective these programs could be as a resource for consumers who wanted state-owned, produced, and manufactured products.

Assemblyman Kramer presumed that Ms. Conrad had an idea about the different agricultural products sold and those that were more profitable. He wondered whether the intent was to focus on more profitable products that perhaps use less water and whether this was a way to gauge the success of the program. Ms. Conrad said that the Buy Nevada program did not look at those specifics. Any food or agriculture product produced in Nevada was included. She said NDA looked at its partners and how to promote items grown or made in Nevada. For the top produce exports, she referenced the State of Nevada, Department of Agriculture, 2019 Biennial Report, [Exhibit D](#), and an Economic Analysis of the Food and Agriculture Sector in Nevada, 2019, Nevada Department of Agriculture, [Exhibit E](#).

Chair Swank encouraged Ms. Conrad to look at all NDA travel recommendations and rank them in priority order. She suggested that Ms. Conrad include travel justifications and work with Fiscal Analysis Division staff because of the large amount of recommended travel funding across all budget accounts. This action would alleviate the need for the Subcommittee members to question travel in each budget account. Ms. Conrad agreed to do that.

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF AGRICULTURE**  
**AGRI - AGRICULTURE REGISTRATION/ENFORCEMENT (101-4545)**  
**BUDGET PAGE AGRICULTURE-14**

Jennifer Ott, Administrator, Plant Industry Division, State Department of Agriculture, (NDA) said her presentation started on page 48 of the "2020-2021 [2019-2021] Subcommittee on General Government" presentation dated February 7, 2019, [Exhibit C](#). She skipped the introductory material for the Plant Industry Division and moved to page 59, budget account (BA) 4545, Agriculture Registration/Enforcement, a fee-funded

account that also included a small amount of funding from the United States Environmental Protection Agency (EPA). The EPA funding was under \$500,000 per year in BA 4545. This budget account covered most inspection services, including nursery inspections, fruit and vegetable inspections, pest control industry inspections, and some of the rangeland health program inspections.

The first enhancement, Ms. Ott said, was decision unit Enhancement (E) 228, page 60 of [Exhibit C](#), which increased temporary labor costs for the Pest Control Operator Program in the Las Vegas office. The pest control operator program licensed and certified all pest control companies and applicators in Nevada. An applicator, she clarified, was a person who applied pesticides as part of the job. In southern Nevada, there had been a 20 percent increase in the number of applicators and a 15 percent increase in the number of companies in calendar year 2017 as compared to 2016. There had been an additional 34 percent increase in applicators and a 22 percent increase in the number of companies in calendar year 2018. The chart on the bottom of page 61 of [Exhibit C](#) showed staffing in other states for comparative purposes and helped to justify the recommended amount for temporary labor.

Page 62 of [Exhibit C](#), Ms. Ott explained, reported recent inspection results. In calendar year 2017 in southern Nevada, 33 percent of pest control applicator inspections revealed both the correct pesticide chemical and the correct concentration, whether it was a large volume of pesticides in a truck or a small amount in an individual backpack sprayer. She noted that 54 percent of the inspections had either the incorrect chemical or an incorrect concentration. This was important because too little of a chemical concentration meant that customers were being charged for something that was less effective. Too high of a chemical concentration was dangerous to the environment and to the health of animals or humans. She mentioned that 13 percent of the inspections had no chemical at all. With no chemical, the customer was unknowingly paying the company to spray water. She concluded by explaining that inspections also included a license verification and a check for proper paperwork and safety gear.

In 2018, Ms. Ott stated, the numbers improved as she was working with the industry to revise the *Nevada Administrative Code* (NAC) 555. The change required labeling on all pesticide containers in Nevada. In anticipation of passage of the change, members of the industry had already started to use the new labeling. She wanted to see the 2019 numbers show significant improvement through the use of additional staff.

Ms. Ott stated that the next decision unit, E-275, as shown on page 63 of [Exhibit C](#), was a recommendation for two new agriculturist positions, one located in Las Vegas and one located in Sparks. The decision unit also included two new seasonal agricultural inspector positions, with one inspector in Las Vegas and one inspector in Sparks. The new positions were dedicated to the marketplace inspection program. Ms. Ott said that as shown on page 64 of [Exhibit C](#), the marketplace inspection program was a program to grade and inspect the quality of domestic and international imports of fruits and vegetables. Similar to

the beef industry's grading system that included USDA choice and USDA prime, the fruit and vegetable industry had a comparable grading system using different titles including fancy, number one, and number two. Marketplace inspections allowed both buyers and sellers to operate using the same language. When a number one product was sold, the buyer knew what to expect at delivery. This uniform language was important, especially for international fruit and vegetable imports that might come from halfway around the world. The marketplace inspections allowed NDA staff, as operatives of the United States Department of Agriculture (USDA), to have a voice in the final decision of the quality levels of the imported products. The division currently conducted marketplace inspections in Nevada; however, the inspections were sourced from the Utah, California, and Arizona departments of agriculture. As shown on page 65 of [Exhibit C](#), the marketplace inspection charge was a USDA fixed rate of \$85 per hour, \$1.96 per mile, and a per-lot fee which could range from \$79 per lot to \$191 per lot. These fees added up to thousands of dollars for inspections, she stated, and the fees were passed on to consumers. With funding approved for the new positions, Nevada could have its own marketplace inspection program, and the cost for each would be hundreds of dollars instead of thousands of dollars. There would be no cost to the State General Fund, she concluded, because the program was fee-funded.

Ms. Ott covered page 66 of [Exhibit C](#) and explained that decision unit E-276 funded one new agriculturist position for the Sparks pathology laboratory. The plant pathology laboratory accepted samples from across Nevada and out-of-state as well. Four services were performed at the plant pathology laboratory, including disease diagnoses for both industry and the general public; analyses of regulated samples of plants that were quarantined, such as citrus trees, to ensure the plants were clean and disease free; inspections of crops and seeds to ensure seeds for foraged crops were disease free; and field surveys.

Referring to page 68 of [Exhibit C](#), Ms. Ott reported that 2,006 plant pathology samples were received in calendar year 2018. Page 69 depicted the setup of the Plant Pathology laboratory. The plant pathologist and agriculturist 2 positions were the only two staff employed at this laboratory. The seasonal agriculture inspectors performed field surveys and gathered samples for the laboratory. She noted that she had a laboratory background, and the first task she performed was to audit the Plant Industry Division laboratories. She recognized that operational efficiencies could be realized, one of which was to restructure the way the laboratory program was set up. As shown on page 70 of [Exhibit C](#), she proposed one additional Agriculturist position to restructure the Plant Pathology lab as a pilot improvement project for the other two laboratories. The plant pathologist would manage the laboratory and perform high-level disease diagnoses, and because the plant pathologists were funded with State General Funds, she wanted to see that position out in the community meeting with landowners and industry representatives. These interactions helped the plant pathologists perform high-level tasks such as plant disease identifications and trend recognition. The seasonal agriculture inspectors would be transferred so one seasonal agriculture inspector was housed in the laboratory reporting to the existing agriculturist 2, and the new agriculturist 2 position would work directly with the plant pathologist on disease diagnoses.

This would reduce the number of seasonal agriculture inspectors who performed field surveys to three.

Ms. Ott stated that decision unit E-720, as shown on page 71 of [Exhibit C](#), included two pieces of new equipment for the chemistry laboratory. The chemistry laboratory performed the majority of the work on pesticide analysis for samples across Nevada, working with the Pest Control Operator Program and the EPA programs, and performed analyses for the hemp industry. The first piece of equipment was an atomic absorption machine that tested heavy metals in substances such as ground water, hemp, and marijuana for the Plant Pathology Division. This testing was a safety precaution for human health. The second piece of equipment was a liquid chromatograph mass spectrometer used for testing the quantity of a specific pesticide or a quantity of tetrahydrocannabinol (THC). There was an existing liquid chromatograph mass spectrometer in the lab, but it was the only one in the laboratory, and if the equipment failed with no backup protection, those tests would come to a halt. Of course, she added, the division would work faster having two of these machines. Both programs, especially the Groundwater Analysis Program, were coordinated with the EPA and the United States Geological Survey (USGS) on a federal level, and the NDA also partnered with the Nevada Department of Environmental Protection.

Page 72 of [Exhibit C](#), Ms. Ott said, covered the travel budget, and although Chair Swank had asked that they not discuss travel, she believed the Plant Industry Division was missing out-of-state travel for conferences that would have allowed staff to become subject matter experts and to be aware of industry trends in their field. This awareness allowed staff to be proactive instead of reactive. Conferences included high-level policy and regulatory discussions, and coordination among state partners in the western region and across the nation. Similarly, in-state travel was required because a new collaboration between the state partners had been given priority. The collaboration required attending other departments' meetings, knowing what other departments were doing, and understanding where the symbiotic projects were. As an example, she referenced the native seed program where the United States Department of Interior, Bureau of Land Management; the USDA's Forest Service; NDA; the State Department of Conservation and Natural Resources, Division of Forestry; Department of Wildlife; and others were looking for native seed for post-fire rehabilitation projects. She wanted all partners to work together to find the best solution instead of tackling the matter without input, and in-state travel would be critical for this effort.

On page 73 of [Exhibit C](#), Ms. Ott said that decision unit E-710 followed the recommended equipment replacement schedule from Enterprise Information Technology Services, Department of Administration. Decision unit E-800 was the cost allocation recommendation.

Chair Swank asked about decision unit E-275 as shown on page 63 of [Exhibit C](#). She asked Ms. Ott to discuss the workload that justified the two new food manufacturing inspection and enforcement program positions and whether there were new or increased fees to fund the



positions. Ms. Ott replied that the fees for Utah, California, and Arizona were mandated by USDA, and those fees would also be charged by Nevada. She noted that the travel would not be as extensive as bringing in inspectors from other states. The fees were dependent on the number of lots inspected. The travel could be estimated, but lots to be inspected were not as easy to estimate. There were over 30 wholesalers and distributors of fruits and vegetables in Nevada and over 11 trucking companies that dealt with fruits and vegetables. She had been given the number of 188 grocery stores that received fruits and vegetables, but she believed that number was much higher. These groups were all potential inspection clients because deliveries were often received on a daily basis.

Chair Swank asked how many inspections would be performed. Ms. Ott replied that she anticipated four inspections per week, plus one day for paperwork.

Chair Swank asked how the Division determined where to station the new positions. Ms. Ott said that there were fruit and distribution warehouses in the Reno-Sparks area, including Walmart, US Foods, Sysco, and Bonanza Produce Company. The same companies were located in Las Vegas, as well as a few additional companies that worked to bring fruits and vegetables in and then divided the fruits and vegetables for meal programs.

Chair Swank asked how those locations served the Elko and eastern areas of Nevada. Ms. Ott said that there were no food distribution locations or hubs in those areas, but there were grocery stores.

Chair Swank asked about the out-of-state entities that had been contracted to perform this service and whether the approval of this enhancement would result in a reduction in contract expenditures. Ms. Ott clarified that NDA was not contracting with out-of-state inspectors; the buyer of the fruits and vegetables was contracting directly with the out-of-state inspectors. With approval of the enhancement, buyers would contact NDA directly instead of turning to Utah, California, or Arizona for inspections.

Assemblywoman Jauregui asked for more detail about the new plant pathology laboratory position. She wondered about the fees for the new program and whether the program would be self-supporting, like the food-manufacturing inspections. Ms. Ott anticipated a revision to the *Nevada Administrative Code* (NAC) to change the fee schedule for the plant pathology program over the next two years. Currently, the plant pathologist was funded from the State General Fund, but those were the only State General Funds spent on that program. The agriculturist 2 position was fee-funded through the pesticide registration fees, and the remaining staff members were federally funded, as were all equipment and supplies. The change to the fee schedule would result in a new plant pathology program position that was self-sustaining. She added that the number of samples was the reason the position was needed now, instead of after the revised fee structure was in place. Her Division could not provide the required level of service if there was an increase in the number of samples.



Assemblywoman Jauregui asked whether there was a backlog at the laboratory. Ms. Ott replied that there was a backlog. The plant pathologist worked hard, but a particularly complicated diagnosis could slow other work down by weeks.

Assemblywoman Jauregui asked whether the agriculturist position would be needed regardless of whether the program was approved. Ms. Ott replied that the position would still be needed.

Senator Goicoechea asked whether the inspections for fruits and vegetables and pesticides and herbicide applicators were required by the USDA. Ms. Ott replied that there were some required services, but there were also services in place as safeguards to companies. The proposed marketplace inspection programs for fruits and vegetables were not USDA required inspections, but were required by the companies, primarily to ensure a system that was consistent for grading the produce. Ms. Ott said that there were other USDA required inspections, such as phytosanitary inspections, that ensured fruits and vegetables were disease free before transport across state or country borders.

Senator Goicoechea explained that the programs were intended for urban areas, especially for plant protection, pesticide and herbicide certifications, and the food industry itself. He asked the Subcommittee members to consider how to fund this urban program and protect the urban centers, even though he realized the program was not funded with State General Fund. He said these were gaps in the program that the Subcommittees would need to address.

Assemblywoman Benitez-Thompson referred to decision unit E-228 on page 60 from [Exhibit C](#). The plan was to increase contracted temporary labor to approximately \$260,000 for the 2019-2021 biennium, and she believed that the increase was 116 percent over operating contract costs in the base budget amount. She remembered discussions for previous biennia and asked how the cost of seasonal or part-time positions compared to contracted temporary labor and which approach resulted in cost savings. She questioned the quality of the contracted personnel and asked Ms. Ott to inform Subcommittee members about the results from that analysis. She asked for a justification of how NDA determined that \$70,000 per year in contracted temporary labor would address the agency's needs.

Chair Swank asked Ms. Ott to provide that information to the Subcommittees, and Ms. Ott agreed.

Senator Parks questioned the training and experience requirements for an NDA agriculturist position and whether there was an adequate supply of potential employees. Ms. Ott said that the requirements for an agriculturist position specified a degree or commensurate level of experience that included between 1 and 2 years of experience in the science industry field. She added that there were NDA interns who would be interested in these jobs.

Hearing no other questions, Chair Swank asked for the next budget account presentation.

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF AGRICULTURE**  
**AGRI - PLANT HEALTH & QUARANTINE SERVICES (101-4540)**  
**BUDGET PAGE AGRICULTURE-25**

Jennifer Ott, Administrator, Plant Industry Division, State Department of Agriculture (NDA), said her presentation for budget account (BA) 4540, Plant Health and Quarantine Services, started on page 54 of the "2020-2021 [2019-2021] Subcommittee on General Government" presentation dated February 7, 2019, [Exhibit C](#). She explained that BA 4540 was a State General Fund budget that covered the salaries for the plant pathologist and state entomologist and work on the Drought Initiative. The budget account also covered the agriculture representative's work on the Sagebrush Ecosystem Technical Team.

On page 55 of [Exhibit C](#), Ms. Ott grouped together the Drought Initiative enhancements. Decision unit Enhancement (E) 350 changed a part-time agriculturist position to a full-time position because of the difficulty in splitting the duties between the Drought Initiative and the crops program, which were both spring and summer programs. The agency also had a one-shot appropriation for \$400,000 to be awarded to farmers and ranchers for on-farm improvements.

On page 56 of [Exhibit C](#), Ms. Ott outlined the accomplishments of the Drought Initiative. During the 2017-2019 biennium, the NDA provided \$494,215 in grants to 11 farmers and ranchers for on-farm improvements, including improvements to irrigation systems and new pipeline installations throughout Nevada. The environmental scientist position assigned to the Drought Initiative coordinated with the Desert Research Institute (DRI) for the Nevada Integrated Climate and Evapotranspiration Network (NICE Net). The NICE Net included 18 weather stations located in agricultural areas throughout Nevada that recorded climate data. The evapotranspiration data provided a tool for farmers and ranchers to predict irrigation rates. Most climate stations, she continued, were not agriculturalcentric. The environmental scientist also collected data sets from across the western region to participate in drought monitoring and drought forecasting. When the project started, no one realized how difficult the effort would be. There were many data sets from universities, state agencies, nonprofit agencies, and citizen scientists. Some data sets were taken every minute, every hour, or every week; some data sets were taken in metric; and some were taken in English. There was no coordinated method to present the data on the website. She clarified that NDA was able to format the data so staff could participate in conversations about drought forecasting and conditions, but it became a larger endeavor than anticipated. She wanted to continue the effort to work with partners so NDA would meet the goal of having readily available data.

Ms. Ott stated that because NDA was asking for additional funding for on-farm projects, she referred the Subcommittee members to page 57 of [Exhibit C](#). This page showed the successes of the program. The first picture on the left was a ranch for pasture-raised beef

outside Spring Creek. Because of the topography, when the rancher flood-irrigated the fields, all the water ran to one corner of the pasture. The pasture became, in effect, part swamp and part dry land, both of which were unsuitable for cattle grazing. With the grant funding, NDA was able to install a header system that allowed the irrigation pipes to reach all areas of the field and to deliver water when it was needed. This change increased the grazing area and improved the efficiency of the water usage. The picture on the top right of page 57 showed a pivot system. Traditionally, she explained, pivots and sprinkler heads were four feet above the ground. The picture showed a precision pivot where the sprinkler heads were placed at a height of 12 inches off the ground. Water was delivered directly to the soil, and even when the crops were above the 12 inch mark, the water delivery was still within the canopy and resulted in a 22 percent reduction in water usage. The bottom right picture showed a field that had been converted from a flood irrigation system to a drip irrigation system. The drip system allowed the farmer to increase the growing space for fruits and vegetables with the same water allotment. Although there was no net water savings, the farmer's production increased.

The remaining enhancements for this budget account were the Enterprise Information Technology Services, Department of Administration, recommended equipment replacements and the Department cost allocation.

Chair Swank asked whether the start of a Drought Initiative council would have to be legislatively approved. Ms. Ott confirmed that the Drought Initiative council program would require legislative approval.

Assemblywoman Benitez-Thompson referred to the recommendation for establishment of a Drought Initiative council; the recommendation to change a part-time agriculturist position to a full-time position; contracting with DRI; monitoring the weather stations, which the state climatologist was also doing; and regular data collection. She wondered whether this was a good time to talk about consolidation of dollars and resources, and whether such efforts should be housed in one location. She suspected that DRI would be the centralized location for these efforts. She asked the Department to explain how the \$400,000 one-shot appropriation would be used and whether it was based on a certain number of requests at a specific dollar limit.

Ms. Ott replied that her office issued a request for proposals from farmers and ranchers for improvement projects related to water use. She did not want to limit the effort, because she wanted to see the types of projects being proposed and did not want to preclude a potential great project because an applicant could not complete the project within a specified budget amount. The proposals would be reviewed as part of a competitive process, and Ms. Ott considered factors such as the potential water savings to be realized and the potential improvement in operations. She also looked for an equal distribution of projects around the state and factored in the potential for drought in various areas.

Senator Goicoechea asked whether there was a federal match for these State General Fund grants. Ms. Ott stated that there was no match for these grants. Senator Goicoechea noted that \$400,000 did not go far when compared to federal programs; he recognized that equipment and parts of watering systems were expensive, and he said he was thinking out loud by mentioning that ten \$40,000 grants, for example, would not go far.

Assemblyman Kramer said he was also thinking out loud, specifically about unlined and weed-crowded irrigation ditches. He asked whether there would be coordination with the State Water Engineer for these grant projects and whether irrigation ditch system projects that could benefit more than one property would be the type of project that would be funded through a Drought Initiative grant. Ms. Ott replied that one project took an irrigation ditch from a ditch system to a pipeline system that required 718 feet of pipe to be laid. She noted that an environmental scientist at NDA had already reached out to the State Water Engineer for the projects.

Chair Swank asked Ms. Ott to discuss the change from a part-time position to a full-time agriculturist position. She heard that someone was working in two different programs and was busy in both programs at the same time of year, and she requested more information on the workload that justified making the position full time. This information, she said, should be provided to Fiscal Analysis Division staff.

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF AGRICULTURE**  
**AGRI - PEST, PLANT DISEASE NOXIOUS WEED CONTROL (101-4552)**  
**BUDGET PAGE AGRICULTURE-30**

Jennifer Ott, Administrator, Plant Industry Division, State Department of Agriculture (NDA), said budget account (BA) 4552, Pest, Plant Disease Noxious Weed Control, started on page 74 of the "2020-2021 [2019-2021] Subcommittee on General Government" presentation dated February 7, 2019, [Exhibit C](#). She explained that BA 4552 was a federally funded budget account that included pathology programs, entomology programs and food safety programs. She said decision unit Enhancement (E) 225 recommended United States Department of Agriculture (USDA) funding to support additional seasonal employees in the entomology program. The positions performed survey work and identified pests for the protection of agriculture forest rangelands and landscapes. She said that the Entomology Program set 3,400 traps per year.

On page 78 of [Exhibit C](#), Ms. Ott noted that decision unit E-710 provided computer hardware and associated software as determined by the Enterprise Information Technology Services, Department of Administration, recommended replacement schedule. Likewise, decision unit E-711 provided authority to use federal funds to replace two all-terrain vehicles. The vehicles enabled staff to reach areas that trucks could not access. She noted that

decision unit E-720 included funding for two new leased vehicles from the Fleet Services Division, Department of Administration.

Chair Swank referenced decision unit E-225 on page 75 of [Exhibit C](#). Because this was a federally funded program, the Chair wondered whether reserves would be used to fund the seasonal employees. She also wondered what type of federal grants or programs required additional employees. Ms. Ott replied that seasonal employees were federally funded.

Debra Crowley, Fiscal Administrator, State Department of Agriculture, clarified that when the budgets were built, all revenues were in the base, so enhancements were funded with reserves. The seasonal positions were, therefore, federally funded.

Hearing no other questions on BA 4552, Chair Swank asked for the next budget presentation.

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF AGRICULTURE**  
**AGRI - LIVESTOCK INSPECTION (101-4546)**  
**BUDGET PAGE AGRICULTURE-45**

Douglas Farris, Administrator, Animal Industry Division, State Department of Agriculture (NDA), said his presentation for budget account (BA) 4546, Livestock Inspection, started on page 82 of the "2020-2021 [2019-2021] Subcommittee on General Government" presentation dated February 7, 2019, [Exhibit C](#). He omitted the introduction to BA 4546 on page 82 and the organizational chart on page 83 to save time and advanced to page 84 of [Exhibit C](#). He stated that Senate Bill (S.B.) 85 proposed revisions to provisions governing the importation into Nevada of certain live animals or part of the carcasses of certain animals. This bill addressed chronic wasting disease, he summarized.

Mr. Farris continued with BA 4546, Livestock Inspection, on page 85 of [Exhibit C](#). He explained that the livestock inspection program provided protection to livestock owners by enforcing statutes and regulations. This work was done by performing brand inspections on animals changing ownership and animals being transported interstate or intrastate, by recording brands, by licensing livestock and agriculture dealers, and by cooperating with other federal, state, and local agencies to assist in the enforcement of their livestock laws.

Mr. Farris continued with page 86 of [Exhibit C](#). He explained that the first enhancement was decision unit Enhancement (E) 225, which funded protective gear for five agricultural enforcement officer positions located throughout Nevada. The agricultural enforcement officer positions were supplied with gear, including uniforms, firearms, ballistic vests, ammunition, and handcuffs. This enhancement would add an expandable baton and oleoresin capsicum (OC) spray to that list of duty gear. These two pieces of equipment would be helpful in a "use of force" type of situation that went beyond what the officers

could control physically with their hands. This equipment would provide an intermediary tool to resolve a situation with less than deadly force.

Mr. Farris explained that decision unit E-710 on page 87 of [Exhibit C](#) recommended funding for computer hardware and associated software according to the Enterprise Information Technology Services, Department of Administration, recommended replacement schedule.

Mr. Farris referred to page 88 of [Exhibit C](#) and explained that decision unit E-711 covered the replacement of five agency-owned vehicles that were assigned to enforcement officers. All five existing vehicles were previously used by the Nevada Highway Patrol (NHP), Department of Public Safety. He noted that NHP operated its vehicles to approximately 125,000 miles before the vehicles were excessed. In the past, NDA had purchased the vehicles from NHP, painted them, and applied the graphic for the Division. The mileage on the vehicles now averaged approximately 180,000 miles, with two vehicles in excess of 200,000 miles, and the number of repairs was significant. In fiscal year 2018, he continued, over \$16,000 was spent on repairs. This dollar amount did not factor in the downtime for enforcement staff or the safety factor. There had been an analysis of the cost difference between purchasing more used vehicles from NHP and leasing vehicles from the Fleet Services Division, Department of Administration. That analysis showed a \$13,800 savings per year by switching to vehicles from the Fleet Services Division, Department of Administration. Mr. Farris stated that decision unit E-800 recommended funding for a cost allocation as shown on page 89 of [Exhibit C](#).

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF AGRICULTURE**  
**AGRI - LIVESTOCK ENFORCEMENT (101-4557)**  
**BUDGET PAGE AGRICULTURE-87**

Douglas Farris, Administrator, Animal Industry Division, State Department of Agriculture (NDA), said budget account (BA) 4557, Livestock Enforcement, started on page 90 of the "2020-2021 [2019-2021] Subcommittee on General Government" presentation dated February 7, 2019, [Exhibit C](#). He omitted his introduction to BA 4557, Livestock Enforcement, and explained that there were no enhancements in BA 4557. The enforcement officers were included in this budget account, funded with 50 percent State General Fund and 50 percent Livestock Inspection fees.

Mr. Farris noted that because questions related to the Virginia Range feral and estray horses had been asked, he included page 91 and page 92 of [Exhibit C](#) to address those questions. He referenced the Virginia Range Feral/Estray Information packet prepared by the Animal Industry Division, Department of Agriculture, [Exhibit F](#), which included a timeline, census numbers, and a history of the interaction between NDA and the Virginia Range feral and estray horses. The packet was provided to the State Board of Agriculture, State Department of Agriculture, at the September 2018 board meeting, and the packet identified many of the



problems faced by NDA. He explained that NDA's primary focus in dealing with the Virginia Range feral and estray horses was the protection of public safety, and NDA had to respond to all incidents involving feral and estray horses reported on the road or involved in vehicle crashes. When there was a public safety incident, the response included officers, brand inspectors, or Mr. Farris himself. The Animal Industry Division worked with advocate groups for tasks including diversionary feeding. Because it was illegal to privately feed estray or feral horses in Nevada [*Nevada Revised Statutes* (NRS) 569.040], the NDA granted the advocacy groups authority to feed horses and entice the animals away from roadways or out of urban areas. It was difficult to predict the animals' behavior because green grass did not always determine the feeding path. A manicured lawn often looked better to feral and estray horses than a green field did. The cost for staff hours to manage and oversee the Virginia Range feral and estray horses was absorbed by other NDA budget accounts, and there was no budget account to fund the management of the horses.

Mr. Farris continued to page 92 of [Exhibit C](#) and mentioned that previously the NDA had two cooperative agreements with the American Wild Horse Preservation Campaign (AWHPC) that covered the full management of the horses. These cooperative agreements were to protect public safety. Both agreements were cancelled in October 2017, not November 2017 as shown on page 92 of [Exhibit C](#), because the cooperator only wanted to manage the fertility-control efforts. The AWHPC wanted all other aspects of feral and estray horse management removed from the agreements, including public safety, horse adoptions, and horse relocations. At various times in past years, he noted, it was not unusual for NDA to have up to nine staff members from different divisions involved in managing or addressing incidents with horses.

Mr. Farris explained that updates were provided by NDA to the State Board of Agriculture at quarterly meetings. When a problem arose that needed to be brought to the State Board of Agriculture's attention at other times, the Director, State Department of Agriculture, would contact the State Board of Agriculture's Chair. He concluded noting that by February 2018, the NDA completed a helicopter census of the Virginia Range and staff counted every horse that could be found. At that time, the count was 2,951, but the count did not include an estimate for any horses that might have been missed. He said that in 1999 and 2000, NDA partnered with an advocate organization and contracted for a Virginia Range habitat-capacity analysis. The outcome of the analysis was that the Virginia Range could support and feed approximately 500 to 600 feral and estray horses. He added that the majority of the Virginia Range area consisted of privately owned property, and the NDA was not aware of any water rights that the state had authority to use for these horses.

Referring to BA 4546, Chair Swank asked about the brand rerecording fees that were collected every four years. She wondered about the best way to ensure the fee money lasted over the four-year span, whether the four-year cycle was appropriate, and when the brand



rerecording fees were last increased. Mr. Farris said he would research the date when the fees were last increased. He believed that 50 percent of the fees would be available at the start of the next two biennia.

Chair Swank referenced the projected reserve of \$184,647 at the end of fiscal year 2021 and asked whether the reserve would be sufficient to cover anticipated expenditures in the 2021-2023 biennium. It appeared that amount would produce a shortfall if expenditures continued at current levels. Mr. Farris stated that BA 4557 was a fee-based account that struggled. He suggested that both the fees for brands and inspections should be revised. He knew that BA 4546 also funded vehicles for enforcement officers, an expenditure not covered by fees.

Chair Swank asked Mr. Farris to work with Fiscal Analysis Division staff to generate ideas to remove the instability, strain, and stress on the budget account, and she suggested that more stable funding for the budget account should be the goal.

Senator Goicoechea stated that five inspectors were funded by the industry to police that same industry. Nevada was moving forward with the federal animal identification program, and he believed that in the near future, the number of agriculture enforcement officers who were Category 1 police officers would have to be increased, and the industry would not continue to fund the effort. Soon, the federal government would want the NDA to know where every animal came from and where every animal went. In his own region, there were complaints about animal theft. Because southern Nevada had the largest horse herd in the state, there were problems in Clark County. He asked for information about the Clark County agriculture enforcement officers' experiences that might reach into parts of Lincoln County and Nye County. The Senator concluded by stating that if the Subcommittee members wanted enforcement, the program would have to be funded with State General Fund.

Mr. Farris replied that there were five enforcement officer positions, one located in the most populous area of Las Vegas. Animal health, including quarantine orders, hold orders, and animals that entered the state illegally, used a large portion of the enforcement officers' staff time. He noted that in December 2018, the Las Vegas area hosted the Wrangler National Finals Rodeo. The NDA management sent the senior enforcement officer from Sparks to work with the one enforcement officer in the Las Vegas area. He believed that there were approximately 30,000 animals that entered the Las Vegas area for the event. Over the course of ten days, the two officers inspected as many of the animals as possible and used one contracted brand inspector, but not all animals were inspected. In Clark County, many animals and plants entered or exited the state through the airport.

Assemblyman Wheeler stated that Assembly Bill (A.B. 264) of the 77th Session (2013) was passed to enable the NDA to enter into cooperative agreements with advocates. The contracting process with the American Wild Horse Preservation Campaign (AWHPC) took

almost another year. Part of the scope of services was the fertility control program to address the approximately 3,000 horses on land suitable for 600 hundred horses. He noted that live births dropped after the first year of the fertility control program, and there seemed to be promise in the effort. He had seen animals starve to death, and he did not want to see this continue. No one else wanted to care for the horses, and AWHPC had supplied the medicine, darts, and labor at no cost to the state. The contract, he noted, was then cancelled, and he wondered what services AWHPC was not performing that were required in the contract.

Mr. Farris stated that before the cooperative agreement was cancelled, representatives from AWHPC had informed NDA staff that the only aspect of services they wanted to manage was the fertility-control efforts. Responding to public safety incidents, removing horses, horse adoptions, and diversionary feeding were all activities that AWHPC did not want to address. At that point in the conversation, AWHPC notified Mr. Farris that the organization had lowered its insurance policy limit below the minimum rate specified in the contract. He referred back to [Exhibit F](#) where the one report received from AWHPC was located, but without a second report, he was hesitant to confirm the benefit. The NDA had conversations with the State Board of Agriculture about the need for another cooperative agreement, and those discussions would determine the future course of action.

Chair Swank asked for discussions to continue offline, but requested that Subcommittee members focus on budgets.

**COMMERCE & INDUSTRY**  
**DEPARTMENT OF AGRICULTURE**  
**AGRI - CONSUMER EQUITABILITY (101-4551)**  
**BUDGET PAGE AGRICULTURE-56**

Cadence Matijevich, Administrator, Consumer Equitability Division, State Department of Agriculture (NDA), stated that budget account (BA) 4551, Consumer Equitability, started on page 5 of the "2020-2021 [2019-2021] Subcommittee on General Government" presentation dated February 7, 2019, [Exhibit C](#). She explained that the Consumer Equitability Division supported the NDA mission, as shown on page 6 of [Exhibit C](#), through three interrelated programs covering Metrology, Petroleum Technology, and Weights and Measures. In the interest of time, she explained that the Division existed to help instill confidence in Nevada's consumer marketplace. This was done by ensuring equity between buyers and sellers in commercial transactions. In addition, she continued, the Division played a role in protecting Nevada's environment through the Petroleum Technology Program. Staff members performed sampling and testing on retail motor fuel sold throughout the state to ensure the products met standards established for maintaining air quality.

Ms. Matijevich stated that the primary statutes and regulations were found in the *Nevada Revised Statutes* (NRS) and *Nevada Administrative Code* (NAC) as specified on page 7 of [Exhibit C](#). The primary federal regulator was the United States Department of

Commerce, working specifically with the National Institute of Standards and Technology (NIST), Office of Weights and Measures. She mentioned that the NIST handbook was adopted to ensure uniformity with other states' regulations.

Page 8 of [Exhibit C](#), said Ms. Matijevich, was the organizational chart for the Consumer Equitability Division. She stated that there was one seasonal position in Las Vegas that would not be extended, because as Assemblywoman Benitez-Thompson mentioned, a benefit from continual training had not been seen in Las Vegas, although an increase in the number of staff in that office would pick up some of that workload.

As shown on page 9 of [Exhibit C](#), Ms. Matijevich said, the Division was funded entirely with fee revenue. She noted that the fees had remained unchanged since the early 2000s with one exception noted by an asterisk on the first line of the chart. One additional fee was added in fiscal year 2015.

Page 10 of [Exhibit C](#), Ms. Matijevich stated, showed the Division's 2019-2021 Biennium Budget recommendation. The goal was to enhance service levels and align resources to meet service demands.

Ms. Matijevich touched on pages 11 and 12 of [Exhibit C](#), noting that there was workload and current staffing ratio information on these pages that would be of interest to Subcommittee members. Like other agencies statewide, services were provided mostly through personnel.

As shown on page 11 of [Exhibit C](#), the number of registered devices had increased by roughly 75 percent since 2000, Ms. Matijevich stated, but there were fewer staff members today to meet that service demand than there were in 2000. Page 13 of [Exhibit C](#) included decision unit Enhancement (E) 225, a recommendation for five new positions, one position each in Sparks and Las Vegas during the first year of the 2019-2021 biennium, and three additional positions in Las Vegas during the second year of the 2019-2021 biennium. Those positions were recommended to improve the device-to-field-inspector ratios. The existing ratio, she clarified, was 5,000 devices per field inspector in southern Nevada, and the new positions would lower the ratio to 3,000 devices for each field inspector. The lower ratio still indicated a substantial workload for each field inspector. Time studies showed that to meet all statutorily mandated duties, a better ratio would be 1,800 to 2,000 devices per field inspector, so the additional positions would help, but they would not get the staffing to the optimum level.

Along with personnel, Ms. Matijevich added, there was a need for equipment and vehicles for the additional staff to perform their duties, both in laboratories and in the field. Page 14 of [Exhibit C](#) showed that the Division was unable to fund sufficient equipment and vehicle maintenance and replacement, and in some locations, almost 85 percent of the inventory had aged beyond its useful life. Page 15 of [Exhibit C](#) covered decision unit E-226, which recommended funding to maintain the metrology laboratory equipment

purchased in the 2017-2019 biennium. This would establish a long-term preventive maintenance program for those laboratory instruments, ensuring the full life and perhaps even extending the life of those instruments.

On page 16 of [Exhibit C](#), Ms. Matijevich said decision unit E-227 recommended funding for travel and training and would be addressed in the departmentwide travel response pursuant to Chair Swank's request. She noted that in-state travel was necessary for metrology staff to maintain NIST certifications.

Page 17 of [Exhibit C](#), Ms. Matijevich said, was decision unit E-720, which recommended funding for new equipment for the Weights and Measures Program and the Metrology Program. The additional three class II weight kits were needed for testing metric and gram scales. With the initiation of the legal marijuana industry in Nevada, the numbers of this type of scale had risen from 30 or 40 scales to well over 1,000 scales. Because of the scale sensitivity, a different testing kit was required. Previously, for the 13 inspectors, there were only two class II weight kits available and that made it difficult to keep up with the calibration demand. Another piece of new equipment was an electronic pallet jack for the Las Vegas metrology lab. The electronic pallet jack would assist in moving heavy weights at that laboratory and also improve the safety of employees. The final piece of recommended equipment was a new gas buggy to be used in southern Nevada. A gas buggy was used by inspectors when they visited retail motor fuel locations to test the accuracy of meters at gas pumps. There were four gas buggies in southern Nevada, and this equipment was the most in-demand item. She said that 70 percent of the device inventory was related to retail motor fuel pumps, and 70 percent of that inventory was located in southern Nevada. The demand in southern Nevada justified the purchase of an additional gas buggy.

Ms. Matijevich explained that as shown on page 19 of [Exhibit C](#), decision unit E-710 recommended equipment replacement according to the Enterprise Information Technology Services, Department of Administration's recommended replacement schedule. The next decision unit was E-711, which recommended the replacement of three vehicles. One existing truck was 22 years old, one truck was 14 years old, and another truck was 13 years old. These three vehicles were driven every day by inspectors to perform field work. The new vehicles would be leased through the Fleet Services Division, Department of Administration. Decision unit E-711 also funded the replacement of five laboratory instruments for the Petroleum Technology laboratories. Three of these instruments were located at the Sparks laboratory and two were located at the Las Vegas laboratory. All existing instruments were at least ten years old and no longer operated as required. She mentioned that eBay was the only source for replacement parts. The cost included ongoing preventive maintenance contracts to ensure maximized life of the instruments. She concluded by stating that the last decision unit was E-800, Cost Allocation.

Ms. Matijevich advised Subcommittee members on how the costs for all items would be paid. She reminded Subcommittee members that the Consumer Equitability Division of the Department of Agriculture was entirely fee-funded, and the Division had gone through the administrative rule-making process. The Legislative Counsel Bureau File R172-18 made changes to regulations and updated the fee schedule for the annual device licensing and testing fees collected for commercial weighing and measuring devices. That change, she said, increased the fees and aligned the billing dates for annual licensing fees with the state fiscal year instead of the federal fiscal year. This change also reduced the penalty for late payment of invoices to 10 percent. She believed that the existing penalty of 50 percent was punitive, especially when the fees were increased. During the administrative rulemaking process, there were requests from industry representatives to phase in the proposed fee increases over time, so the amounts included in the adopted version of this regulation were approximately 30 percent lower than originally proposed. The revenues for the fee levels as originally proposed were needed to get the Division to full sustainability, but the Division did not try to make up for 20 years of no fee increases all at once. Because of this, Ms. Matijevich anticipated an additional fee increase before the 2021-2023 biennium.

Pages 21 through 23 of [Exhibit C](#), Ms. Matijevich explained, compared the current fees to the adjusted fees under the new fee structure, effective July 1, 2019.

Ms. Matijevich said that Senator Goicoechea had asked for an update on the metrology laboratory, shown on page 25 of [Exhibit C](#), and she shared that both laboratory locations were fully operational and certified. It was interesting to note, she said, that Nevada was the only state in the nation that owned and operated metrology laboratories in more than one geographic location. The two locations made it more difficult for both the Division and the NIST Office of Weights and Measures to ensure the Division maintained its quality manuals and that staff was fully trained and tested on the equipment in both laboratories. She added that there were three NIST signatory-approved metrologists, two of whom were located at the primary laboratory headquarters in Sparks. This ensured that the lab would not be closed again because there was no metrologist on staff. The newest metrologist had earned her NIST certification in November 2018; was a recent graduate of the University of Nevada, Reno; and was a native Nevadan from a family of public servants. This metrologist completed her NIST training in less than 12 months. Ms. Matijevich noted that usually it took 18 to 24 months to complete NIST training. Her certification was a good sign for the longevity of the Metrology Program. The laboratories had achieved the highest level of NIST accreditation, beyond the NIST certification. This accreditation was important not just for the internal services, but was also valuable for private industry. As advanced manufacturing, healthcare, and technology continued to expand in Nevada, having a laboratory with this level of accreditation would allow for private industry to have standards certified in-state, thereby saving time and money.

Ms. Matijevich said that included with the budget submission was a Division of Consumer Equitability, Budget Account 4551, Agriculture – Consumer Equitability business plan ([Exhibit G](#)), dated August 31, 2018. This plan covered what the enhancements would mean for the program in the 2019-2021 biennium and in future biennia.

Assemblywoman Jauregui asked about E-225 on page 13 of [Exhibit C](#) and the five additional Weights and Measures Program positions. She was aware that the Weights and Measures Program had lost two positions that were reclassified and transferred to the Metrology Program, but she wondered whether there were any inspectors left in that program. Ms. Matijevich replied that there were a total of 13 inspectors in the Weights and Measures Program, 11 of whom were full-time field inspectors. The two positions requested in the first year of the 2019-2021 biennium would reinstate the program to where it was before the reclassified positions were transferred to the Metrology Program. The three additional positions in Las Vegas would help to address the service demand and growth that had been experienced.

Assemblywoman Jauregui asked about legalized marijuana and the increased number of devices that needed to be tested. Because the program was without two inspectors, and with an increase in the number of devices to be tested, she asked whether there was a backlog. Ms. Matijevich replied that there was no backlog because there was no deadline set in statute for the completion of device inspections. She noted that industry representatives expected annual inspections of devices because license fees were being paid annually. With the existing staffing level, she believed the Division performed 75 percent of the necessary inspections. By focusing on these types of inspections, employees were not able to perform other statutory duties, including package checking and price verifications. These inspections also limited the amount of time inspectors had available to obtain fuel samples, she added.

Chair Swank asked that the food and nutrition budget account presentations be treated as a single unit for the final presentation, and she stated that there was no need to cover replacement equipment.

**COMMERCE & INDUSTRY  
DEPARTMENT OF AGRICULTURE  
AGRI - NUTRITION EDUCATION PROGRAMS (101-2691)  
BUDGET PAGE AGRICULTURE-63**

**COMMERCE & INDUSTRY  
DEPARTMENT OF AGRICULTURE  
AGRI - COMMODITY FOODS DISTRIBUTION PROGRAM (101-1362)  
BUDGET PAGE AGRICULTURE-72**



**COMMERCE & INDUSTRY**  
**DEPARTMENT OF AGRICULTURE**  
**AGRI - DAIRY FUND (233-4470)**  
**BUDGET PAGE AGRICULTURE-81**

Homa Anooshehpour, Administrator, Food and Nutrition Division, State Department of Agriculture (NDA), said her presentation for three budget accounts (BA) 2691, Nutrition Education Programs, BA 1362, Commodity Foods Distribution Program, and BA 4470, Dairy Fund, would be consolidated into one presentation. She started with page 41 of the "2020-2021 [2019-2021] Subcommittee on General Government" presentation dated February 7, 2019, [Exhibit C](#). She explained that all three budget accounts included decision units for out-of-state travel, primarily to meet federal government obligations. In-state travel for all three budget accounts was needed to conduct compliance reviews, to provide technical assistance, and to attend training as required by the United States Department of Agriculture. Statewide, there were 460 sites for the community nutrition program, 43 sites for schools, and 28 sites for the summer food-service program. Decision unit Enhancement (E) 227, New Equipment, recommended the purchase of a lectern and a white board for a conference room in Las Vegas. The conference room equipment was recommended for staff training, school training, and sponsor training.

Ms. Anooshehpour moved to page 43 of [Exhibit C](#) and noted that all three budget accounts included decision unit E-228 that recommended additional funding for staff development training required by the constantly changing federal regulations. Decision unit E-229 funded 20 percent of the cost of the Information Technology Professional positions in the Nutrition Education Programs through the Department's administrative cost allocation, as explained earlier by Jerri Conrad, Interim Director, State Department of Agriculture.

On page 44 of [Exhibit C](#), Ms. Anooshehpour explained that decision unit E-249 funded uniforms for staff performing field work, as required by NDA policy.

Decision unit E-229 found on page 39 of [Exhibit C](#) eliminated two warehouse positions that were no longer needed because of a reorganization of the Emergency Food Assistance Program. Ms. Anooshehpour referenced decision unit E-800, Cost Allocation, and stated that all three of the budget accounts included this enhancement.

Specific to the Dairy Program, Ms. Anooshehpour stated, decision unit E-225 funded out-of-state travel for inspections of distributors who provided products to Nevada and for license renewals, as required by federal regulations. Decision unit E-228 covered training for the health rating officers and a manager.

Chair Swank referenced page 39 and page 44 of [Exhibit C](#) and asked about the new uniform policy for BA 1362 and BA 2691. She wondered whether there was a justification provided, given that the uniforms were for administrators and supervisors, positions that generally had



little contact with the public. Ms. Anooshehpoor replied that those positions did not interact with the public, but occasionally accompanied staff. She cited a visit to an Indian reservation as an example where administrators or supervisors might observe the interactions for oversight of the programs.

Chair Swank referred to page 39 of [Exhibit C](#), which recommended the elimination of two warehouse positions under BA 1362 through decision unit E-229. She wondered about the restructure of the Emergency Food Assistance Program and how the changes eliminated the need for those two positions. Ms. Anooshehpoor replied that responsibility for delivering food for the Emergency Food Assistance Program had been transferred to two foodbanks in northern Nevada and to Three Square in southern Nevada. With this transfer, she added, the two positions were no longer needed, and both positions had been vacant since 2017.

Chair Swank referenced page 46 of [Exhibit C](#), BA 4470, Dairy Fund, and asked Ms. Anooshehpoor to discuss the new Grade "A" Milk Safety Program and how the program would fit into agency operations. Ms. Anooshehpoor replied that the Grade "A" Milk Safety Program was a continuing program that required inspections to ensure milk met federal Food and Drug Administration standards.

Assemblywoman Benitez-Thompson asked whether budget account 4470, Dairy Fund, included the funding for Moolisa. Ms. Anooshehpoor replied that it did.

Assemblywoman Benitez-Thompson explained that in the 2017-2019 biennium, there was a special line item for transportation for Moolissa, and she wondered whether a full-time employee or a contracted employee was hired for that effort. Jerri Conrad, Interim Director, State Department of Agriculture, (NDA), replied that Moolissa had a contracted college student to provide this service. Ms. Conrad added that Moolissa now had a "sister," Moonique, in southern Nevada. Moonique's name had been selected through social media. Moolissa was popular in northern Nevada and had proven to be a great tool to engage children and parents.

Chair Swank asked the NDA presenters to work with Fiscal Analysis Division staff, specifically regarding travel, and to identify travel that was discretionary and travel that was for training.

Assembly Committee on Ways and Means  
Senate Committee on Finance  
Subcommittees on General Government  
February 7, 2019  
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Chair Swank asked for public comment, and not hearing any public comment, the meeting was adjourned at 10 a.m.

RESPECTFULLY SUBMITTED:

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Carmen M. Neveau  
Committee Secretary

APPROVED BY:

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Assemblywoman Heidi Swank, Chair

DATE: \_\_\_\_\_

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Senator Yvanna D. Cancela, Chair

DATE: \_\_\_\_\_

## **EXHIBITS**

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a PowerPoint presentation titled "2020-2021 [2019-2021] Subcommittee on General Government" dated February 7, 2019, presented by Jerri Conrad, Interim Director, Department of Administration, State Department of Agriculture.

[Exhibit D](#) is a publication submitted by the State Department of Agriculture, titled "State of Nevada, Department of Agriculture 2019 Biennial Report," referenced by Jerri Conrad, Interim Director, Department of Administration, State Department of Agriculture.

[Exhibit E](#) is a publication submitted by the State Department of Agriculture, titled "Economic Analysis of the Food and Agriculture Sector in Nevada, 2019, Nevada Department of Agriculture," referenced by Jerri Conrad, Interim Director, Department of Agriculture, State Department of Agriculture.

[Exhibit F](#) is the Virginia Range Feral/Estray Information packet prepared by the Animal Industry Division, Department of Agriculture and referenced by Douglas Farris, Administrator, Animal Industry Division, State Department of Agriculture.

[Exhibit G](#) is the Division of Consumer Equitability, Budget Account 4551, Agriculture – Consumer Equitability, dated August 31, 2018 and presented by Cadence Matijevich, Administrator, Consumer Equitability Division, State Department of Agriculture.