

**MINUTES OF THE MEETING OF THE
SENATE COMMITTEE ON FINANCE
AND
ASSEMBLY COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEES ON PUBLIC SAFETY, NATURAL RESOURCES
AND TRANSPORTATION**

**Eightieth Session
April 12, 2019**

The joint meeting of the Subcommittees on Public Safety, Natural Resources and Transportation of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair David R. Parks at 8:14 a.m. on Friday, April 12, 2019, in Room 2134 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

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

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblywoman Dina Neal, Chair
Assemblywoman Sandra Jauregui, Vice Chair
Assemblyman Al Kramer
Assemblywoman Daniele Monroe-Moreno
Assemblywoman Robin L. Titus

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Cindy Jones, Assembly Fiscal Analyst
Kimbra Ellsworth, Program Analyst
Michael Keever, Committee Secretary
Vicki Kemp, Committee Secretary

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CHAIR PARKS:

There are seven closing budgets for the Department of Conservation and Natural Resources (DCNR). We will start with the Administration budget account (B/A) 101-4150.

INFRASTRUCTURE

CONSERVATION AND NATURAL RESOURCES

DCNR - Administration — Budget Page DCNR-5 (Volume III)
Budget Account 101-4150

KIMBRA ELLSWORTH (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Information regarding the DCNR budget closing recommendations begins on page 3 of the April 12 Public Safety Closing Packet ([Exhibit C](#)). The DCNR, as authorized by the *Nevada Revised Statutes* (NRS) 232.020, provides administrative, technical, budgetary, policy and supervisory support to the DCNR Divisions of Environmental Protection and Forestry. It also includes Water Resources, State Parks, State Lands, the Historic Preservation Office, Natural Heritage, State Conservation Districts, Sagebrush Ecosystem and Off-Highway Vehicles programs; as well as numerous boards, commissions and councils within the Department. The Director's Office Administration budget is funded with General Fund appropriations along with a cost allocation charged to the non-General Fund operations of DCNR agencies. Total funding for the Director's Office is recommended at \$3.5 million over the 2019-2021 biennium, which is the same level of funding approved for the 2017-2019 biennium.

As shown on page 4 of [Exhibit C](#), the major closing issue in this B/A is the utilization of bond interest earnings. The DCNR Administration has funded 50 percent of the salary and benefits of an administrative services officer (ASO) position and a small portion of a deputy director position with revenue from Question One Conservation and Recreation Bond Program (Q1) interest earnings to account for time spent by the positions on Q1 bond-related work. The Governor's recommended budget for the 2019-2021 biennium continues this practice, with bond interest earnings of \$74,292 and \$74,585 recommended to

support a portion of these positions. The Governor did not recommend issuing general obligation bonds for the Q1 program in the upcoming biennium.

The projected interest earnings to support administrative costs associated with the Q1 bond program are projected to decrease. Based on the estimated interest earnings there is insufficient projected earnings to support the recommended budget amounts.

The DCNR Administration indicates approximately 1.6 percent of the ASO time and 0.4 percent of the deputy director's time is currently spent on Q1 bond program-related activities. Considering the projected level of Q1 bond interest earnings and the amount of time the positions dedicate to program-related activities, it appears reasonable to Fiscal Analysis Division staff to allocate 1.6 and 0.4 percent of the ASO and deputy director's time respectively to Q1 bond interest revenue and to fund the remaining costs of the two positions through the DCNR cost allocation.

Fiscal staff calculates the impact of reduced Q1 bond funding would result in an increase in the cost allocation revenue of approximately 5.4 percent over the 2019-2021 biennium. Due to the methodology for calculating the current cost allocation, this would require additional General Fund appropriations totaling approximately \$49,283 over the 2019-2021 biennium.

Do the Subcommittees wish to approve the reduction of Q1 bond interest earnings by \$71,446 in FY 2020 and \$71,729 in FY 2021, which would reduce Q1 bond interest earnings to \$2,846 in FY 2020 and \$2,856 in FY 2021, to support a portion of the ASO position and the deputy director position, and approve additional General Fund appropriations of approximately \$49,283 and additional cost allocation revenue of approximately \$93,892 over the 2019-2021 biennium?

SENATOR CANCELA MOVED TO APPROVE THE REDUCTION OF Q1 BOND INTEREST EARNINGS BY \$71,446 IN FY 2020 AND \$71,729 IN FY 2021, WHICH WOULD REDUCE Q1 BOND INTEREST EARNINGS TO \$2,846 IN FY 2020 AND \$2,856 IN FY 2021, TO SUPPORT A PORTION OF THE ASO POSITION AND THE DEPUTY DIRECTOR POSITION, AND APPROVE ADDITIONAL GENERAL FUND

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APPROPRIATIONS OF APPROXIMATELY \$49,283 AND ADDITIONAL
COST-ALLOCATION REVENUE OF APPROXIMATELY \$93,892 OVER THE
2019-2021 BIENNIUM.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

SENATOR GOICOECHEA:

Is this General Fund appropriation not contained in the Executive Budget?

MS. ELLSWORTH:

This is a reasonable manner to fund these positions.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. ELLSWORTH:

Fiscal staff identified an error in the Director's Office cost allocation, which added the cost of the Sagebrush Ecosystem program manager into the calculation, which is funded by General Fund monies, instead of removing it. Removing this cost from the calculation would reduce the total cost allocation revenue by approximately \$300,531, or 17.2 percent, from \$1.8 million to \$1.5 million over the 2019-2021 biennium and increase General Fund appropriations by a corresponding amount.

Fiscal staff requests authority to make technical adjustments to the Director's Office cost allocation, and other technical adjustments as necessary, based on the Subcommittees' closing actions.

SENATOR CANCELA MOVED TO APPROVE FISCAL STAFF REQUEST
FOR AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS TO THE
DIRECTOR'S OFFICE COST ALLOCATION, AND OTHER TECHNICAL
ADJUSTMENTS AS NECESSARY, BASED ON THE SUBCOMMITTEES'
CLOSING ACTIONS.

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ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. ELLSWORTH:

As shown on pages 5 and 6 of [Exhibit C](#), there are 9 other closing items which appear reasonable. Fiscal staff recommends the other closing items be approved as recommended by the Governor and requests authority to make technical adjustments as necessary.

ASSEMBLYWOMAN TITUS MOVED THAT FISCAL STAFF RECOMMENDATION OF OTHER CLOSING ITEMS BE APPROVED AS RECOMMENDED BY THE GOVERNOR AND THEIR REQUEST FOR AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will move on to the Conservation Districts Program (CDP), B/A 101-4151.

DCNR - Conservation Districts Program — Budget Page DCNR-16 (Volume III)
Budget Account 101-4151

Ms. ELLSWORTH:

The CDP, works with Nevada's 28 locally elected conservation districts in a Statewide conservation program. The Agency's staff provide training and

administrative support to the conservation districts. The program is primarily funded with General Fund appropriations.

There are two major closing issues as shown on pages 10 and 11 of [Exhibit C](#). The Governor recommends increasing the grant allocations to Nevada's 28 conservation districts from \$4,500 per district per year to \$5,000 per district per year, representing an increase of 11.1 percent per district. This would restore funding to the level that was legislatively approved prior to the 2009 budget reductions.

During the February 14, 2019, budget hearing, the DCNR indicated that for every state dollar granted to the CDP in FY 2018, \$28.64 on average was leveraged by the districts from other sources, including federal grants and local government funds.

Do the Subcommittees wish to approve the Governor's recommendation to increase the grant allocations to Nevada's 28 conservation districts to \$5,000 per district per year, funded with General Fund appropriations totaling \$28,000 over the 2019-2021 biennium?

ASSEMBLYWOMAN TITUS MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION TO INCREASE THE GRANT ALLOCATIONS TO NEVADA'S 28 CONSERVATION DISTRICTS TO \$5,000 PER DISTRICT PER YEAR FUNDED WITH GENERAL FUND APPROPRIATIONS TOTALING \$28,000 OVER THE 2019-2021 BIENNIUM.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. ELLSWORTH:

The second major issue is out-of-state travel. The Governor recommends funding to support out-of-state travel and registration costs for attendance at

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three national conferences and training opportunities by the CDP manager, funded with General Fund appropriations totaling \$7,078 in each year of the 2019-2021 biennium.

The CDP does not have a legislatively approved out-of-state travel budget. Funding would support the conference registration fees, airfare, associated travel costs, lodging and per diem for the program manager to attend three annual meetings. These include the National Association of State Conservation Agencies and the National Association of Conservation Districts meetings, as well as the Partners in Conservation annual conference. The Agency indicates that the national conferences provide education and networking opportunities, including discussions on federal program and policy issues and funding opportunities that impact conservation work in the State.

There are three options for consideration. Option 1 is to approve the Governor's recommendation to support out-of-state travel and registration costs for attendance at all three of the national conferences by the CDP manager. This would be funded with General Fund appropriations totaling \$7,078 in each year of the 2019-2021 biennium. The second option is to approve the reduced General Fund appropriations to \$5,287 in each year of the 2019-2021 biennium, to support out-of-state travel and registration costs for attendance at two national conferences by the CDP manager. The third option is to approve the reduction of General Fund appropriations to \$3,079 in each year of the 2019-2021 biennium, to support out-of-state travel and registration costs for attendance at one National conference by the CDP manager.

SENATOR GOICOECHEA:

I support the Conservation Districts and Option 2. This should save some money allowing for attendance at two conferences.

CHAIR PARKS:

As there is potential for other funding sources for conferences, I would support Option 2.

SENATOR GOICOECHEA MOVED TO APPROVE THE REDUCTION OF GENERAL FUND APPROPRIATIONS BY \$1,791 IN EACH YEAR WHICH WOULD REDUCE GENERAL FUND APPROPRIATIONS TO \$5,287 IN

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EACH YEAR OF THE 2019-2021 BIENNIUM TO SUPPORT OUT OF STATE TRAVEL AND REGISTRATION COSTS FOR ATTENDANCE AT TWO NATIONAL CONFERENCES BY THE CDP MANAGER.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. ELLSWORTH:

As shown on pages 11 and 12 of [Exhibit C](#), there are four other closing items which appear reasonable. Closing item 4 includes technical adjustments to replace the expired federal grant revenue with General Fund monies, resulting in increased General Fund appropriations of \$3,356 over the 2019-2021 biennium.

Fiscal staff recommends other closing items 1 through 4 be approved as recommended by the Governor, with the noted technical adjustments, and requests authority to make other technical adjustments as necessary.

SENATOR GOICOECHEA MOVED TO APPROVE OTHER CLOSING ITEMS 1 THROUGH 4 AS RECOMMENDED BY THE GOVERNOR, WITH THE NOTED TECHNICAL ADJUSTMENTS AND FISCAL STAFF REQUEST FOR AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will move on to the Nevada Natural Heritage, B/A 101-4101.

DCNR - Nevada Natural Heritage — Budget Page DCNR-120 (Volume III)
Budget Account 101-4101

MS. ELLSWORTH:

Fiscal staff is responsible for developing closing recommendations for this budget. The Subcommittees have not previously reviewed this budget.

The Nevada Natural Heritage Program collects information on the locations, biology and conservation status of all endangered, threatened, sensitive and at-risk plant and animal species in Nevada. The program is funded primarily with Highway Fund appropriations transferred from the Nevada Department of Transportation (NDOT) in exchange for data pertinent to NDOT projects, as well as federal funds transferred from the DCNR's Division of Environmental Protection, and a small amount of fees charged to customers for the provision of database information.

There are no major closing issues. As shown on pages 14 and 15 of [Exhibit C](#), there are seven other closing items which appear reasonable. Fiscal staff recommends other closing items 1 through 6 be approved as recommended by the Governor, and requests authority to make technical adjustments to other closing item 7 based on the Subcommittees' closing action in the DCNR Administration budget account, with authority to make other technical adjustments as necessary.

SENATOR GOICOECHEA MOVED TO RECOMMEND OTHER CLOSING ITEMS 1 THROUGH 6 BE APPROVED AS RECOMMENDED BY THE GOVERNOR AND REQUESTS AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS TO OTHER CLOSING ITEM 7 BASED ON THE SUBCOMMITTEES' CLOSING ACTION IN THE DCNR ADMINISTRATION BUDGET ACCOUNT, WITH AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will move on to the Office of State Historic Preservation, B/A 101-4205.

DCNR - Office of State Historic Preservation — Budget Page DCNR-214 (Volume III)

Budget Account 101-4205

MS. ELLSWORTH:

Fiscal staff is responsible for developing closing recommendations for this budget. The Subcommittees have not previously reviewed this budget.

The mission of the State Historic Preservation Office (SHPO) is to encourage the preservation, documentation and use of cultural resources through state and federal programs. Primary sources of funding for the SHPO are federal grants and General Fund appropriations.

There are no major closing issues. As shown on pages 18 and 19 of [Exhibit C](#), there are 6 other closing items which appear reasonable. Four of the closing items include technical adjustments. In other closing item 1, Fiscal staff has included technical adjustments in this closing document to align costs in the E-225 decision unit with available program funding, resulting in a cost reduction of \$1,353 in each year of the upcoming biennium. With the noted technical adjustments, the net cost associated with the two fleet services vehicles and additional in-state travel totals \$18,302 over the 2019-2021 biennium.

E-225 Efficient and Responsive State Government — Page DCNR-217

ASSEMBLYWOMAN NEAL:

A contractor has been working at the SHPO for about seven years without receiving benefits. The position should be moved into a grants project analyst grade 31. I recommend staff work to develop a decision unit to create this

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position in the SHPO budget. I suggest a motion for B/A 101-4205 to include this position and bring to the full Committees for consideration.

MARK KRMPOTIC (Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Staff will put the information together and bring a decision unit forward. Included in the decision unit would be the reduction for the contract expense. The contract position would no longer exist with the full-time position.

CHAIR PARKS:

Is there a recommendation to close B/A 101-4205 and include the transfer of the contract position to a full-time State employee position?

ASSEMBLYWOMAN NEAL MOVED TO RECOMMEND OTHER CLOSING ITEMS 1 THROUGH 6 BE APPROVED AS RECOMMENDED BY THE GOVERNOR AND REQUESTS AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS TO OTHER CLOSING ITEM 7 BASED ON THE SUBCOMMITTEES' CLOSING ACTION IN THE DCNR ADMINISTRATION BUDGET ACCOUNT WITH AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY, AND FOR FISCAL STAFF TO PUT TOGETHER A DECISION UNIT TO BRING TO THE FULL COMMITTEES.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLYMAN KRAMER:

Is the motion to change the contract person to a regular salary State employee?

CHAIR PARKS:

It will be a recommendation for a budget adjustment.

ASSEMBLYMAN KRAMER:

Is this a vote for a decision unit, or will it come back to us after the budget is determined?

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MR. KRMPOTIC:

The Subcommittees are requesting staff to put together a decision unit to be brought to the full Committees. The motion would be for staff to put together a decision unit to bring to the full Committees.

CHAIR PARKS:

There is a motion by Assemblywoman Neal and a second by Senator Cancela.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will move on to Comstock Historic District, B/A 101-5030.

DCNR - Historic Pres - Comstock Historic District — Budget Page DCNR-221
(Volume III)
Budget Account 101-5030

MS. ELLSWORTH:

Fiscal staff is responsible for developing closing recommendations for this budget. The Subcommittees have not previously reviewed this budget.

The Comstock Historic District (CHD) consists of over 14,000 acres and is one of the nation's largest and most significant landmarks. The CHD is located in the Comstock History Center in Virginia City and includes space for archaeological analysis and curation of Comstock artifacts. The CHD is funded with General Fund appropriations.

There are no major closing items. As shown on page 22 of [Exhibit C](#), there are three other closing items which appear reasonable.

Fiscal staff recommends the other closing items be approved as recommended by the Governor, and requests authority to make technical adjustments as necessary.

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ASSEMBLYWOMAN TITUS MOVED THAT OTHER CLOSING ITEMS BE APPROVED AS RECOMMENDED BY THE GOVERNOR AND REQUESTS AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will move on to the Nevada Tahoe Regional Planning Agency (NTRPA), B/A 101-4166.

DCNR - Nevada Tahoe Regional Planning Agency — Budget Page DCNR-117
(Volume III)

Budget Account 101-4166

MS. ELLSWORTH:

Fiscal staff is responsible for developing closing recommendations for this budget. The Subcommittees have not previously reviewed this budget.

The NTRPA is funded by General Fund appropriations. The NTRPA consists of the 7 Nevada members of the 15-member Tahoe Regional Planning Agency governing board, and is supported by staff from the DCNR Division of State Lands. The NTRPA regulates structures that house gaming establishments in the Lake Tahoe Basin. There are no major closing items. Fiscal staff recommends B/A 101-4166 be moved to the full Committees as recommended by the Governor and requests authority for staff to make technical adjustments as necessary.

ASSEMBLYWOMAN JAUREGUI MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE B/A 101-4166 AS RECOMMENDED BY THE

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GOVERNOR AND REQUESTS AUTHORITY FOR FISCAL STAFF TO MAKE
TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will move on to the Water Resources, B/A 101-4171.

DCNR - Water Resources — Budget Page DCNR-57 (Volume III)
Budget Account 101-4171

MS. ELLSWORTH:

The Division of Water Resources conserves, protects, manages and enhances the water resources of Nevada through the appropriation and reallocation of public waters. The Division is primarily funded with General Fund appropriations.

There are two major closing items. The Nevada Water Planning and Drought Resiliency Program (NWPDRP) includes two decision units, E-353 and E-355.

E-353 Safe and Livable Communities — Page DCNR-60

E-355 Safe and Livable Communities — Page DCNR-61

During the 2017 Legislative Session, the Governor's recommended budget included several initiatives which came out of the Nevada Drought Forum. The Drought Forum issued recommendations including the creation of a new planning division and advisory committee. When asked at the March 14, 2019, budget hearing how the current recommendation differs from the recommendation that was not approved during the 2017 Session, the DCNR Water Resources indicated that the Governor's recommendation for the 2019-2021 biennium is more focused on building long-term water planning

capacity in the Division, whereas the recommendation that the 2017 Legislature did not approve was focused primarily on drought resiliency.

Decision unit E-353 addresses a gap in Statewide planning and coordination. The Governor recommends General Fund appropriations totaling \$894,791 to create the NWPDRP, including three new positions and associated operating, travel and equipment costs. The program would be comprised of a total of nine staff. The new positions include an unclassified program chief and two assistant water planner positions.

The assigned staff would be dedicated full-time to developing near-and long-term drought resiliency and drought response duties, as well as enhancing the Division's existing water planning statutory duties. The new program will provide long-term water security for the State.

Fiscal staff has included technical adjustments to correct an error in the calculations used to project the operating and travel costs associated with program personnel. This resulted in a cost reduction of \$88,324 over the biennium. With the noted technical adjustments, the cost for the program, including three new positions and associated costs, totals \$806,467 over the 2019-2021 biennium.

Do the Subcommittees wish to approve the Governor's recommendation to create the NWPDRP, including three new positions and associated costs with the noted technical adjustments, funded by General Fund appropriations totaling \$806,467 over the 2019-2021 biennium?

SENATOR GOICOECHEA MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION TO CREATE THE NWPDRP INCLUDING THREE NEW POSITIONS AND ASSOCIATED COSTS WITH THE NOTED TECHNICAL ADJUSTMENTS, FUNDED BY GENERAL FUND APPROPRIATIONS TOTALING \$806,467 OVER THE 2019-2021 BIENNIUM?

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

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SENATOR GOICOECHEA:

I support the recommendation. We have not had a water planning division in DCNR since about 2001. We need data and to start moving forward with the water plan.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. ELLSWORTH:

Decision unit E-355 would create an Advisory Board on Water Resources Planning and Drought Resiliency. The Governor recommends General Fund appropriations totaling \$102,892 over the 2019-2021 biennium.

As shown on page 29 of [Exhibit C](#), Fiscal staff has included technical adjustments to remove the costs of drought website hosting that were included in this decision unit. The DCNR Water Resources indicates that the drought website was recently moved to the Department's website hosting, and there is no longer a need for the hosting cost in this budget, resulting in a cost reduction of \$1,873 in each year. With the noted technical adjustments, the cost for an Advisory Board totals \$99,146 over the 2019-2021 biennium. The funding would support board member pay and associated in-state travel and operating costs.

Senate Bill (S.B.) 499 would create the Advisory Board on Water Resources Planning and Drought Resiliency (WRPDRP) within the Division. The S.B. 499 was referred to the Senate Committee on Natural Resources on April 1, 2019. As introduced, S.B. 499 would create the Advisory Board consisting of eight voting members and four ex officio members, compared to the funding to support nine voting members recommended in this budget. Technical adjustments may be necessary to align Board expenses with the number of Board members identified in S.B. 499.

SENATE BILL 499: Creates the Advisory Board on Water Resources Planning and Drought Resiliency. (BDR 48-1243)

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During the March 14, 2019, budget hearing, the Agency explained that the Advisory Board would be stakeholder driven and focus on new and far-reaching water planning issues, including upstream water storage, retirement of water rights, long-range planning and developing and maintaining an updated Statewide water and drought resiliency contingency plan.

Do the Subcommittees wish to approve the Governor's recommendation to create an Advisory Board on WRPDRP, funded by General Fund appropriations totaling \$99,146 over the 2019-2021 biennium, contingent upon the passage and approval of S.B. 499, with the noted technical adjustments and authority for staff to make other technical adjustments as necessary?

SENATOR GOICOECHEA:

We heard S.B. 499 in Committee. It was not brought to a vote, and I am unaware of the status. It will not be brought forward by the deadline. I would rather see the recommended General Fund appropriation be committed back to the water planning portion of water resources, rather than creating another committee. We had a water planner and stakeholder group in 1999 which was not successful.

CHAIR PARKS:

My understanding is this would be dependent upon the Subcommittees' action to stay alive. There is a recommendation to not approve the funding for the Advisory Water Board.

ASSEMBLYWOMAN TITUS MOVED TO NOT APPROVE DECISION UNIT E-355.

SENATOR GOICOECHEA SECONDED THE MOTION.

SENATOR GOICOECHEA:

If this decision unit can be referred to the Senate Finance Committee it might be able to be moved forward. At this point, I do not support decision unit E-355.

CHAIR PARKS:

We have a motion and a second to not approve decision unit E-355.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. ELLSWORTH:

As shown on page 30 of [Exhibit C](#), the second major closing item is the transfer in of existing positions. The Governor recommends the transfer in of three existing positions from the Las Vegas Basin Water District (LVBWD) non-executive budget to the Water Resources budget, including two administrative assistants and one deputy State engineer and associated operating costs. The positions and associated operating costs would be funded by the transfer in of existing water district assessments from the LVBWD budget totaling \$586,220 over the 2019-2021 biennium. The DCNR Water Resources indicates the request is an administrative change to house all classified division personnel in the Water Resources budget, with no change in the source of funding supporting the positions or duties performed. Fiscal staff notes that the LVBWD budget would still contain two classified positions, a filled accountant technician and a vacant deputy State engineer. The DCNR Water Resources indicates that the deputy State engineer position has been vacant since 2014.

During the March 14, 2019, budget hearing, the Agency indicated that the remaining classified positions in the LVBWD budget should be moved to the Water Resources budget with the Agency's other classified positions. Time tracking provided by the Agency identified 25 percent of the position is dedicated to basin work, while 75 percent is dedicated to fiscal transactions relating to the Agency's federal grants and the Division's general fiscal management, contract management, accounting and personnel activities.

It appears it would be appropriate to fund 25 percent of the accountant technician's costs with 25 percent of the water district assessments based on work performed and fund the remaining 75 percent with General Fund appropriations.

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Pursuant to NRS 533.295(1), water district assessments must be used exclusively for expenses incurred in the administration, operation and maintenance of the particular water system from which the money is collected. The accountant technician position and associated operating costs would total approximately \$144,506 over the 2019-2021 biennium, funded by General Fund appropriations of \$108,380 and LVBWD assessments of \$36,126. The split would be 75 percent to General Fund and 25 percent to water district assessments.

As shown on page 31 of [Exhibit C](#), there are two options for consideration. Option 1 is to approve the Governor's recommendation to transfer 3 existing positions from the LVBWD budget to the Water Resources budget, including two administrative assistants and one deputy State engineer and associated operating costs, funded by the transfer in of existing water district assessments from the LVBWD budget totaling \$586,220 over the 2019-2021 biennium.

Option 2 is to approve the Governor's recommendation to transfer 3 existing positions from the LVBWD budget to the Water Resources budget, including two administrative assistants and one deputy State engineer and associated operating costs, funded by the transfer of existing water district assessments from the LVBWD budget totaling \$586,220 over the 2019-2021 biennium, and approve additional General Fund appropriations of approximately \$108,380 and the transfer of existing water district assessments of approximately \$36,126 over the 2019-2021 biennium to transfer the accountant technician position from the LVBWD budget to the Water Resources budget.

Fiscal staff requests authority to make technical adjustments as necessary, based on the Subcommittees' closing actions.

CHAIR PARKS:

My recommendation is for Option 2 including staff to make technical adjustments as necessary.

SENATOR CANCELA MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION TO TRANSFER THREE EXISTING POSITIONS FROM THE LVBWD BUDGET TO THE WATER RESOURCES BUDGET, INCLUDING TWO ADMINISTRATIVE ASSISTANTS AND ONE DEPUTY

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STATE ENGINEER AND ASSOCIATED OPERATING COSTS, FUNDED BY THE TRANSFER OF EXISTING WATER DISTRICT ASSESSMENTS FROM THE LVBWD BUDGET TOTALING \$586,220 OVER THE 2019-2021 BIENNIUM AND APPROVE ADDITIONAL GENERAL FUND APPROPRIATIONS OF APPROXIMATELY \$108,380 AND THE TRANSFER OF EXISTING WATER DISTRICT ASSESSMENTS OF APPROXIMATELY \$36,126 OVER THE 2019-2021 BIENNIUM TO TRANSFER THE ACCOUNTANT TECHNICIAN POSITION FROM THE LVBWD BUDGET TO THE WATER RESOURCES BUDGET.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Ms. ELLSWORTH:

As shown on pages 31 and 32 of [Exhibit C](#), there are 8 other closing items all of which appear reasonable. Fiscal staff recommends other closing items 1 through 6 be approved as recommended by the Governor, and requests authority to make technical adjustments to other closing item 7 based on the Subcommittees' closing action in the DCNR Administration budget, with authority to make other technical adjustments as necessary.

ASSEMBLYWOMAN NEAL MOVED TO RECOMMEND OTHER CLOSING ITEMS 1 THROUGH 6 BE APPROVED AS RECOMMENDED BY THE GOVERNOR AND REQUESTS AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS TO OTHER CLOSING ITEM 7 BASED ON THE SUBCOMMITTEES' CLOSING ACTION IN THE DCNR ADMINISTRATION BUDGET, WITH AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR CANCELA SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MS. ELLSWORTH:

The Governor recommends language in the 2019 Appropriations Act providing that the sums appropriated for the South Fork Dam are available for both fiscal years (FY) of the biennium, and may be transferred from one FY to the other with the approval of the Interim Finance Committee (IFC) upon the recommendation of the Governor.

Fiscal staff notes, the ability to transfer funds between FYs and balance forward unspent funding was not necessary when fees were retained by DCNR, which could be balanced forward from FY to FY. The 2017 Legislature approved replacing the fees collected by DCNR with General Fund appropriations. The DCNR indicates the carry forward provision is recommended by the Governor due to the complex nature of the work and dependence upon weather conditions.

Do the Subcommittees wish to approve the Governor's recommendation to include language in the 2019 Appropriations Act providing that the sums appropriated for the South Fork Dam are available for both FYs of the biennium, and may be transferred from one FY to the other with the approval of the IFC upon the recommendation of the Governor?

ASSEMBLYWOMAN TITUS:

I am supportive of this recommendation. We should receive an update of the process during the interim.

MR. KRMPOTIC:

The Subcommittees could consider a letter of intent for the DCNR Water Resources to report back to IFC.

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CINDY JONES (Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

With the letter of intent, staff would appreciate knowing the desired reporting frequency.

ASSEMBLYWOMAN TITUS:

I recommend a semiannual report.

SENATOR GOICOECHEA:

The water impounded from South Fork Dam is recreation water. The water does not have to be pulled down. Given the amount of precipitation in the Ruby Mountains this year, I do not anticipate much work being done on the South Fork Dam. A couple sessions ago, work on the head gates took almost two years for completion. There are no irrigation demands on the South Fork Dam at this time.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION TO INCLUDE LANGUAGE IN THE 2019 APPROPRIATIONS ACT PROVIDING THAT THE SUMS APPROPRIATED FOR THE SOUTH FORK DAM ARE AVAILABLE FOR BOTH FYS OF THE BIENNIUM AND MAY BE TRANSFERRED FROM ONE FY TO THE OTHER WITH THE APPROVAL OF THE IFC UPON THE RECOMMENDATION OF THE GOVERNOR.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLYWOMAN TITUS:

The letter could inform us if the South Fork Dam is continuing at capacity.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

Seeing no further items, this meeting is adjourned at 9:00 a.m.

RESPECTFULLY SUBMITTED:

Vicki Kemp,
Committee Secretary

APPROVED BY:

Senator David R. Parks, Chair

DATE: _____

Assemblywoman Dina Neal, Chair

DATE: _____

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EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	1		Agenda
	B	1		Attendance Roster
	C	33	Kimbra Ellsworth/LCB	Closing List No. 2