

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

**Eightieth Session  
April 25, 2019**

The joint meeting of the Subcommittees on General Government of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair Yvanna D. Cancela at 8:22 a.m. on Thursday, April 25, 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 Yvanna D. Cancela, Chair  
Senator David R. Parks  
Senator Pete Goicoechea

**ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:**

Assemblywoman Daniele Monroe-Moreno, Vice Chair  
Assemblywoman Sandra Jauregui  
Assemblyman Al Kramer  
Assemblyman Jim Wheeler

**COMMITTEE MEMBERS ABSENT:**

Assemblywoman Heidi Swank, Chair (Excused)

**STAFF MEMBERS PRESENT:**

Cindy Jones, Assembly Fiscal Analyst  
Alex Haartz, Principal Deputy Fiscal Analyst  
Colby Nichols, Program Analyst  
Jennifer McEntee, Committee Secretary  
Tom Weber, Committee Secretary

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**OTHERS PRESENT:**

Jennifer Ott, Director, Nevada Department of Agriculture  
Jerri Conrad, Deputy Director, Nevada Department of Agriculture  
Cadence Matijevich, Administrator, Division of Consumer Equitability, Nevada  
Department of Agriculture  
Homa Anooshehpour, Administrator, Food and Nutrition Division, Nevada  
Department of Agriculture  
Celeste Arnold, Administrative Services Officer II, Food and Nutrition Division,  
Nevada Department of Agriculture

CHAIR CANCELA:

These Subcommittees will start by hearing the Nevada Department of  
Agriculture (NDA) Administration Division budget account (B/A) 101-4554.

COMMERCE AND INDUSTRY

AGRICULTURE

AGRI - Agriculture Administration — Budget Page AGRICULTURE-6 (Volume I)  
Budget Account 101-4554

COLBY NICHOLS (Program Analyst, Fiscal Analysis Division, Legislative Counsel  
Bureau):

Closing recommendations from Legislative Counsel Bureau (LCB), Fiscal Analysis  
Division staff regarding B/A 101-4554 starts on page 3 of the April 25, 2019,  
General Government Closing Packet ([Exhibit C](#)).

The NDA Administration Division provides oversight and guidance to all  
programs and activities within the NDA. There are 3 major closing issues with  
B/A 101-4554 regarding in-State travel, out-of-State travel and increased  
agricultural economic promotion. Regarding travel and training within the NDA,  
the Subcommittees may remember that the Executive Budget contains  
additional travel and training expenditures totaling \$425,721 over the  
2019-2021 biennium.

Fiscal staff notes the majority of travel and training enhancements for the  
Agency are constructed by the NDA totaling all travel and training expenditures

requested then removing the amounts from the base budget. Accordingly, the dollar amounts contained in the enhancement decision units of B/A 101-4554 reflect the difference. As such, it is difficult to determine what specific travel and training is contained within each decision unit.

The first major closing issue with B/A 101-4554 is regarding the in-State travel contained in decision unit E-226.

#### E-226 Efficient and Responsive State Government — Page AGRICULTURE-9

The Governor recommends internal cost allocation revenue totaling \$13,646 over the 2019-2021 biennium to fund an increase in in-State travel for NDA staff. The NDA indicates this travel is for a business process analyst (BPA) serving as a geographic information systems (GIS) specialist as well as a fiscal administrative assistant (AA) who travels to perform onsite inventory counts at the NDA Las Vegas and Elko offices.

The NDA indicates E-226 would fund 4 trips in each fiscal year (FY) of the 2019-2021 biennium for the BPA to perform surveys and presentations of data. This portion of the recommendation would cost \$2,286 in each year of the 2019-2021 biennium. The fiscal AA performs room-by-room inventory counts that the NDA indicates reduces the time and staff effort needed to track down missing or incomplete information when compared to performing inventory counts remotely. This portion of the recommendation would cost \$818 in each year of the 2019-2021 biennium.

The total funding amount in E-226 represents the difference between what is in the base budget and what is the total. As a result, the \$3,718 remaining balance in E-226 reflects the difference. The purpose of the travel has neither been specified nor specifically justified.

The Subcommittees may wish to consider the following options: option A approves the additional in-State travel for the BPA and for the fiscal AA and the unspecified travel funding as recommended by the Governor funded with internal cost-allocation revenues totaling \$13,646 over the 2019-2021 biennium. Option B approves the additional funding specific to the in-State travel for the BPA and for the fiscal AA totaling \$3,104 in each year of

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the 2019-2021 biennium but does not approve the additional \$3,718 in each FY with authority for Fiscal staff to make the corresponding technical adjustment.

SENATOR GOICOECHEA:

I will be abstaining from B/A 101-4550 motions regarding veterinary medical services, because I have a family member employed within this area of the NDA.

AGRI - Veterinary Medical Services — Budget Page AGRICULTURE-36  
(Volume I)  
Budget Account 101-4550

CHAIR CANCELA:

Overall travel requests from the NDA are significant, and while we will consider these on a case-by-case basis, we should execute sound judgement regarding the travel scenarios we move forward with.

SENATOR GOICOECHEA:

I agree there are many places within B/A 101-4554 that will need to be trimmed down. Hopefully, we can add funding back into other areas. I believe option B will be the better option.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OPTION B FOR B/A 101-4554 WITH THE ADDITIONAL FUNDING SPECIFIC TO THE IN-STATE TRAVEL FOR THE BPA TO PERFORM GIS SURVEYS AND PRESENTATIONS AND FOR ONSITE INVENTORY COUNTS BY THE FISCAL AA POSITION TOTALING \$3,104 IN EACH YEAR OF THE 2019-2021 BIENNIUM, BUT NOT APPROVE THE ADDITIONAL \$3,718 IN EACH FY INCLUDED IN THE EXECUTIVE BUDGET FOR THE 2019-2021 BIENNIUM AND WITH AUTHORITY FOR STAFF TO MAKE THE TECHNICAL ADJUSTMENT.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. NICHOLS:

The second major issue with B/A 101-4554 is regarding the out-of-State travel contained in E-227. The Governor recommends internal cost-allocation revenue totaling \$2,847 in each year of the 2019-2021 biennium to fund an increase in out-of-State travel for NDA staff. The NDA indicates the increase is needed to allow staff to attend a Government Social Media conference and a GIS conference.

E-227 Efficient and Responsive State Government — Page AGRICULTURE-9

In response to Fiscal staff questions regarding how the NDA would prioritize this travel, the NDA prioritized sending staff to the Government Social Media conference in FY 2020 and the GIS conference in FY 2021.

The Subcommittees may wish to consider the following options: option A is to approve the Governor's recommendation to increase out-of-State travel to send 1 staff member to the Government Social Media conference and 1 staff member to the GIS conference in each year of the 2019-2021 biennium funded with internal cost-allocation revenues totaling \$5,694 over the 2019-2021 biennium. Option B is to approve the Governor's recommendation for increased out-of-State travel but reduce it to send 1 staff member to the Government Social Media conference in FY 2020 and 1 staff member to the GIS conference in FY 2021 funded with internal cost allocation revenues totaling \$2,960 over the 2019-2021 biennium and provide staff with authority to make the technical adjustment.

ASSEMBLYMAN WHEELER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OPTION B FOR B/A 101-4554 WITH THE GOVERNOR'S RECOMMENDATION FOR INCREASED OUT-OF-STATE TRAVEL BUT REDUCE IT TO SEND 1 STAFF MEMBER TO THE GOVERNMENT SOCIAL MEDIA CONFERENCE IN FY 2020 AND 1 STAFF MEMBER TO THE GIS CONFERENCE IN FY 2021 FUNDED WITH INTERNAL COST ALLOCATION REVENUES TOTALING \$2,960 OVER

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THE 2019-2021 BIENNIUM AND PROVIDE STAFF WITH AUTHORITY TO  
MAKE THE TECHNICAL ADJUSTMENT.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. NICHOLS:

The third major issue with B/A 101-4554 is regarding increased agriculture economic promotion within E-228.

E-228 Efficient and Responsive State Government — Page AGRICULTURE-10

The Governor recommends reserve reductions totaling \$15,732 over the 2019-2021 biennium to fund travel, advertising and public relations expenses in support of the NDA Buy Nevada program. Of the total requested, \$1,156 in each FY of the 2019-2021 biennium would fund 2 trips for a public information officer to travel to Las Vegas. The Governor also recommends \$6,710 in each FY of the 2019-2021 biennium to fund advertising costs for print, internet and radio advertisements as well as maintenance costs for <buynevada.org>.

The NDA indicated the travel costs included in E-228 would allow the public information officer to travel in support of Buy Nevada to collect photo and video assets. Fiscal staff notes there are nine trips for the NDA's two public information officers to perform photo and video shoots included in the NDA's base budget. In response to questions regarding the current activities supported by Buy Nevada, the NDA indicated activities include targeted advertising in *Edible Reno-Tahoe* magazine, a searchable Buy Nevada website, in-store labeling of Nevada milk products in southern Nevada and social media marketing.

Do the Subcommittees wish to approve additional agriculture economic promotion costs in support of the Buy Nevada program as recommended by the

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Governor funded with reserve reductions of \$15,732 over the 2019-2021 biennium?

ASSEMBLYWOMAN MONROE-MORENO:

During the February 7, 2019, budget hearing, a number of questions were raised regarding the restructuring of the Buy Nevada program. It is unclear to me if these issues have been addressed and if the Governor's recommendations would benefit the restructuring of the Buy Nevada program.

JENNIFER OTT (Director, Nevada Department of Agriculture):

The restructuring of the Buy Nevada program will occur over the 2019-2021 biennium. Due to past work, continued travel to southern Nevada is still necessary to bring new entities into the Buy Nevada program. The Buy Nevada program not only involves photos and videos but also involves collecting stories from producers, farmers and ranchers in southern Nevada.

ASSEMBLYWOMAN MONROE-MORENO:

Are you requesting nine trips? How many additional trips do you anticipate having, and exactly how many stories and photos do we need as we restructure the Buy Nevada program?

JERRI CONRAD (Deputy Director, Nevada Department of Agriculture):

We are requesting one trip in each FY to enable the public information officers to meet with producers and manufacturers. Las Vegas is our largest market and presents a challenge to have a presence in. One of our priorities from a restructuring standpoint is looking at how to raise awareness of food and agriculture manufactured and grown in both northern and southern Nevada. This is hard to do if we do not have a physical presence regarding Buy Nevada. Buy Nevada staff is located in northern Nevada.

ASSEMBLYWOMAN MONROE-MORENO:

There are nine trips budgeted for in the NDA's base budget, correct? Can you justify why you would need more than the nine trips already in the base budget?

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MS. CONRAD:

If the NDA needs to roll something related to Buy Nevada into one of the base budget trips we are happy to do so. Overall, these trips address food and nutrition issues related to school breakfast and school lunch programs. The trips can be related to the Nevada Governor's Conference on Agriculture or other types of food and agriculture outreach.

ASSEMBLYWOMAN MONROE-MORENO:

It is my understanding that there are nine trips included in the base budget just for the Buy Nevada program. Is this correct?

MR. NICHOLS:

The nine trips included in the base budget are to collect photo and video assets but are not specific to the Buy Nevada program.

SENATOR GOICOECHEA:

There are nine trips included in the base budget. How many more trips is the NDA requesting?

MS. CONRAD:

We are asking for one trip per FY regarding E-228 and the Buy Nevada program.

SENATOR GOICOECHEA:

Will these trips cost \$15,000?

MR. NICHOLS:

The travel contained in E-228 equals \$1,156 in each FY. Out of the total requested amount of \$15,732 over the 2019-2021 biennium, \$2,312 would go to travel.

ASSEMBLYWOMAN JAUREGUI MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE ADDITIONAL AGRICULTURE ECONOMIC PROMOTION COSTS IN SUPPORT OF THE BUY NEVADA PROGRAM IN B/A 101-4554 AS RECOMMENDED BY THE GOVERNOR FUNDED WITH RESERVE REDUCTIONS OF \$15,732 OVER THE 2019-2021 BIENNIUM.

SENATOR PARKS SECONDED THE MOTION.



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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. NICHOLS:

There are three other closing items within B/A 101-4554 all of which appear reasonable to Fiscal staff. Decision unit E-229 within other closing item 1 is contingent upon passage of companion decision unit E-229 from B/A 101-2691.

E-229 Efficient and Responsive State Government — Page AGRICULTURE-10

AGRI - Nutrition Education Programs — Budget Page AGRICULTURE-63  
(Volume I)  
Budget Account 101-2691

E-229 Efficient and Responsive State Government — Page AGRICULTURE-68

Fiscal staff recommends approval of other closing items 2 and 3 as recommended by the Governor and other closing item 1 contingent upon the approval of decision unit E-229 in B/A 101-2691 and requests authority for other technical adjustments as needed.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEMS 2 AND 3 FROM B/A 101-4554 AS RECOMMENDED BY THE GOVERNOR AND OTHER CLOSING ITEM 1 CONTINGENT UPON THE APPROVAL OF DECISION UNIT E-229 IN B/A 101-2691 WITH AUTHORITY FOR OTHER TECHNICAL ADJUSTMENTS AS NEEDED.

ASSEMBLYMAN WHEELER SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. NICHOLS:

Information regarding B/A 101-4546 begins on page 29 of [Exhibit C](#).

AGRI - Livestock Inspection — Budget Page AGRICULTURE-45 (Volume I)  
Budget Account 101-4546

The NDA Livestock Inspection Division is responsible for protecting livestock owners from loss of livestock by enforcing inspection and brand statutes per *Nevada Revised Statutes* (NRS) 564; returning stray livestock and licensing livestock dealers, agents, buyers and public sale yards.

There is one major closing issue regarding the reserve levels within B/A 101-4546. As background, B/A 101-4546 experienced potential reserve deficits in the 79th Legislative Session. As a result, the 2017 Legislature approved moving the agricultural enforcement officer (AEO) positions out of B/A 101-4546 and B/A 101-4545 and into the newly created B/A 101-4557. The 2017 Legislature also approved funding 50 percent of agricultural inspector positions with General Fund appropriations and 50 percent with fee revenue.

AGRI - Agriculture Registration/Enforcement — Budget Page AGRICULTURE-14  
(Volume I)

Budget Account 101-4545

AGRI - Livestock Enforcement — Budget Page AGRICULTURE-87 (Volume I)  
Budget Account 101-4557

The reserve for B/A 101-4546 must be monitored over a 4-year period since one of the largest revenue sources B/A 101-4546, brand rerecording fees, is collected once every 4 years. The fact these fees are collected every four years in a lump sum requires the NDA to monitor spending to ensure a proportionate balance of reserves are retained to balance forward into each of the subsequent fiscal years to keep the budget solvent and fund these responsibilities until the

next cycle of brand rerecording fee revenues are received. After FY 2020, brand rerecording fees will not be received until FY 2024.

During the February 7, 2019, budget hearing, the Subcommittees expressed concern that the reserve level recommended in the Executive Budget at the end of the 2019-2021 biennium would not be sufficient to keep B/A 101-4546 solvent during the 2021-2023 biennium. In response to Fiscal staff questions subsequent to the budget hearing, the NDA provided projections indicating that if expenditures for the 2021-2023 biennium remained similar to those recommended by the Governor for the 2019-2021 biennium, B/A 101-4546 would become insolvent sometime in FY 2022 and remain insolvent in FY 2023. A similar scenario was brought to light during the 79th Legislative Session which was remedied by appropriating a General Fund appropriation to support 50 percent of the AEO position costs and moving those positions to a new budget account.

Following the budget hearing, Fiscal staff inquired whether the NDA was considering measures such as fee increases, service reductions or position eliminations to address this issue. In response, the NDA indicated it would conduct an analysis in FY 2020 to determine potential fee changes for B/A 101-4546. The table on page 31 of [Exhibit C](#) shows the major revenue sources for livestock inspection within B/A 101-4546 and includes the date by which the fees were most recently adjusted and what the current fees are.

The Executive Budget contains enhancement decision units E-710 and E-711 both of which are funded through the use of budget reserves. The impact of these expenditures on the NDA's reserves contributes to the projected insolvency of B/A 101-4546 in FY 2022.

E-710 Equipment Replacement — Page AGRICULTURE-48  
E-711 Equipment Replacement — Page AGRICULTURE-49

Regarding the equipment replacement contained in E-710, the Governor recommends reserve reductions totaling \$37,388 over the 2019-2021 biennium for the replacement of tablets and printers used by the contracted brand inspectors. The replacement vehicles contained in E-711 would result in reserve reductions totaling \$106,315 over the 2019-2021 biennium to replace

5 Agency-owned patrol vehicles used by AEO's with new vehicles sourced from the Nevada Department of Administration, Fleet Services Division.

If E-710 and E-711 are not approved, the reserve balance at the end of FY 2021 would still not be sufficient to balance forward into the 2021-2023 biennium. This would result in B/A 101-4546 still being projected to become insolvent sometime in FY 2023.

Brand rerecording fees are received by the NDA every 4 years and should be budgeted in a manner which allocates 25 percent of the amount received for expenditure in each of the subsequent 4 years. The Executive Budget does not do this, as it appears to budget approximately 74 percent of the amount received in FY 2020 for expenditure in FY 2020. Normally, Fiscal staff would recommend a technical adjustment to reduce expenditures to the prorated 25 percent amount. However, doing so would restrict the operating cash flow within B/A 101-4546 such that it would have a negative general operating reserve in FY 2021. In lieu of a technical adjustment, Fiscal staff recommends the Subcommittees recommend a letter of intent (LOI) to the NDA and the Governor's Office of Finance (GFO) that the NDA not expend more than a prorated 25 percent of brand rerecording fees received in FY 2020 in the subsequent 4 years.

The Subcommittees may wish to consider the following options: option A is to approve B/A 101-4546 as recommended by the Governor with the approval of funding for equipment replacement and vehicle replacement for the AEOs. This would result in B/A 101-4546 becoming insolvent sometime in FY 2022. Option B is to approve B/A 101-4546 as recommended by the Governor but not approve the funding for equipment replacement and vehicle replacement for the AEO's resulting in expenditure reductions totaling \$143,703 over the 2019-2021 biennium with corresponding increases to reserves. This would result in the B/A 101-4546 becoming insolvent sometime in FY 2023. If the Subcommittees approved this option, the Agency would always have the ability to approach the Interim Finance Committee (IFC) and demonstrate it has aligned its revenues and expenditures such that it could fund the expenditures in these enhancements while maintaining sufficient reserves.

In addition to these options, the Subcommittees may wish to consider recommending a LOI that directs the NDA to develop a credible long-term plan to align B/A 101-4546 revenues and expenditures using existing revenue sources and to provide a report regarding these efforts to the IFC at its June 2020 meeting. Another option the Subcommittees may consider is to require the NDA to budget in such a way that any brand rerecording fees received in FY 2020 should be expended over the 2019-2021 biennium on a prorated basis of 25 percent annually, to the extent that doing so is practicable, based upon the 4-year period covered by these renewal fees.

SENATOR GOICOECHEA:

The real issue with B/A 101-4546 is regarding the AEOs. There is an issue with the \$143,000 for equipment replacement and the fact only half of the AEOs salary is funded through General Fund Appropriations. Should we have someone come up and explain the exact duties of the AEOs? The duties of an AEO should not include brand inspection. An AEO is responsible for enforcing agriculture laws across the State which can include vehicle wreckage or theft. An AEO is certified through the Nevada Commission on Peace Officer Standards and Training and is an enforcement officer patrolling the roads of Nevada. It causes problems when we are moving the AEOs out of the agriculture and enforcement B/A 101-4545 while still asking them to inspect brands.

I would like to have a discussion with the Subcommittees and the GFO regarding how these AEOs who are sworn officers, light sirens, pack a gun, carry a badge and arrest people are being called brand inspectors and are being paid for at 60-cents-a-head to inspect a cow. Typically these AEOs do not inspect livestock and plants as they are busy responding to accidents and serious issues such as removing an animal who has been struck by a vehicle off the road; their duties are broad-based. We cannot pay for AEO activities through B/A 101-4557.

The Subcommittees have not been presented with an option to make the AEOs 100 percent funded through General Fund appropriations. Option B includes not approving the funding for equipment and vehicle replacement. These things could potentially be covered by General Fund appropriations. We need to look at paying for more of the AEOs duties with General Fund appropriations, or B/A 101-4546 will become insolvent. I do not

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feel comfortable passing a budget that stipulates the NDA will go to the IFC to see if they can get more funding.

SENATOR PARKS:

Regarding major revenue sources, I see laboratory charges were most recently adjusted in 2003. Has a review been done as to the applicability of these charges to determine if any additional revenue could be generated if the laboratory charges were adjusted again?

SENATOR GOICOECHEA:

Coverage of laboratory fees should be coming from veterinary medical services B/A 101-4550. I am trying to separate these duties from those of the AEOs. We can go back and adjust many of the livestock inspection fees, but this probably cannot be done in time to balance B/A 101-4546.

MR. NICHOLS:

The laboratory charges within B/A 101-4546 equal approximately \$250,000 in each FY of the 2019-2021 biennium. Not all of these laboratory charges go back into B/A 101-4546, as some will also go into B/A 101-4550. Regarding changes to some of the livestock inspection major revenues, the livestock inspection tax is currently set at the maximum amount authorized by NRS 575.185. The remaining fees generating revenue for livestock inspection can be changed through the regulatory process.

ASSEMBLYWOMAN MONROE-MORENO:

I agree that adjusting the fees used in livestock inspection can prove beneficial. Whether the Subcommittees choose option A or option B, there will be a solvency issue within B/A 101-4546. The enforcement activities of the AEOs will be more aligned with B/A 101-4557, and issues regarding this account should be addressed at a later time. Regarding B/A 101-4546, I think option B with the LOI will allow the NDA to have more money available for a longer period of time than option A.

SENATOR GOICOECHEA:

Option B involves expenditure reductions of \$143,703, as this money will no longer go towards vehicle and equipment replacement. I can support this

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measure if the NDA can acquire more General Fund appropriations to offset salaries as the AEOs are moved into B/A 101-4557.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE B/A 101-4546 AS RECOMMENDED BY THE GOVERNOR BUT NOT APPROVE THE FUNDING FOR EQUIPMENT REPLACEMENT AND VEHICLE REPLACEMENT FOR THE AEOs RESULTING IN EXPENDITURE REDUCTIONS TOTALING \$143,703 OVER THE 2019-2021 BIENNIUM WITH CORRESPONDING INCREASES TO RESERVES; AND SUBMIT AN LOI DIRECTING THE NDA TO BUDGET IN SUCH A WAY THAT ANY BRAND RERECORDING FEES RECEIVED IN FY 2020 SHOULD BE EXPENDED OVER THE 2019-2021 BIENNIUM ON A PRORATED BASIS OF 25 PERCENT ANNUALLY, TO THE EXTENT THAT DOING SO IS PRACTICABLE BASED UPON THE 4-YEAR PERIOD COVERED BY THESE RENEWAL FEES.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. NICHOLS:

There is one other closing item within B/A 101-4546 regarding protective gear for AEOs contained in E-225.

E-225 Efficient and Responsive State Government — Page AGRICULTURE-48

While the protective gear within E-225 is funded out of reserve reductions, this is a relatively small amount. As this gear is safety equipment for AEOs, financial concerns notwithstanding, the recommendation appears reasonable to Fiscal staff. Fiscal staff recommends approval of this other closing item and requests authority to make technical adjustments to B/A 101-4546 as needed.

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SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE OTHER CLOSING ITEM WITHIN B/A 101-4546 WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR GOICOECHEA WAS EXCUSED FOR THE VOTE.)

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CHAIR CANCELA:  
The Subcommittees will now hear B/A 101-4545.

MR. NICHOLS:  
Discussion of NDA agriculture and enforcement B/A 101-4545 begins on page 7 of [Exhibit C](#).

The NDA Agriculture Registration and Enforcement Program supports the registration, inspection, sampling and laboratory analysis of fertilizers, antifreeze and pesticide products offered for sale. There are 4 major closing issues with B/A 101-4545 the first of which deals with 4 new positions for the NDA Food Manufacturing Inspection and Enforcement program (FMIEP) contained in decision unit E-275.

E-275 Educated and Healthy Citizenry — Page AGRICULTURE-19

The Executive Budget for the 2019-2021 biennium recommends reserve reductions totaling \$359,898 over the 2019-2021 biennium to fund salaries and related costs for 2 agricultural inspectors and 2 agriculturalists. The NDA indicates these positions would support a new FMIEP in order to provide inspecting and grading services on behalf of private industries for fruits and vegetables. The NDA indicated that inspections are currently either not completed or are performed by contracted entities from California or Utah.



Both agriculturalist positions would be filled in FY 2020 with 1 to be stationed in Sparks and the other in Las Vegas. These positions will provide U.S. Department of Agriculture-certified inspection and grading services at produce facilities at the request of the facilities.

The 2 agricultural inspector positions would be filled in FY 2021 with 1 stationed in Sparks and the other in Las Vegas. These positions would perform sampling and inspection of agricultural products at shipping inspection facilities and check and grade condition of fruits and vegetables. During the February 7, 2019, budget hearing, the Agency testified that the 2 agricultural inspector positions included in E-275 were intended to be seasonal positions as opposed to full-time equivalent positions as included in the Executive Budget.

The GFO transmitted Budget Amendment No. A193364545 found in ([Exhibit D](#)) to remove the 2 agricultural inspector positions in FY 2021 and add costs for 2 seasonal positions in FY 2021 and adjust various other associated personnel, operating and information services costs. These recommended adjustments reflected on page 7 of [Exhibit C](#) would increase reserves in B/A 101-4545 by \$34,945 in FY 2021.

During the budget hearing the Subcommittees expressed interest in knowing whether the U.S. Department of Agriculture (USDA) required the inspections. The NDA indicated these inspections are not required but are offered by the NDA as a service to protect the State's agricultural industry. The FMIEP would enforce plant health standards and provide grading services for produce that are similar to those provided for meat products. The NDA estimates it would perform approximately 839 market inspections annually if E-275 was approved.

In response to Fiscal staff questions regarding whether new fees would be required to support the FMIEP, the NDA indicated the FMIEP would use hourly rates and lot fees for inspection services established by the USDA as well as existing State market fees and mileage rates; no new State-mandated fees would need to be established to support the FMIEP. Once the FMIEP is fully implemented, the NDA indicates the FMIEP is anticipated to be self-funded by the next biennium and will generate an estimated \$227,445 in annual revenues.

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Do the Subcommittees wish to approve the Governor's recommendation as amended by Budget Amendment No. A193364545 for 2 new full-time agriculturalist positions to be filled in FY 2020 and 2 seasonal agricultural inspector positions to be filled in FY 2021 to support the new FMIEP funded with reserve reductions totaling \$324,953 over the 2019-2021 biennium?

ASSEMBLYMAN KRAMER:

You are saying the FMIEP will be self-supporting and generate \$227,445 in annual revenue which would equal close to \$450,000 for the 2019-2021 biennium; expenses will equal about \$324,953. Does the actual revenue generated from the 839 annual market inspections equal \$227,445, or is there additional revenue I am not aware of?

MR. NICHOLS:

The NDA has stated the annual revenue generated by the FMIEP would come from hourly inspection rates and lot fees for certain produce inspections set by the USDA as well as existing State inspection rates and State mileage reimbursement rates.

ASSEMBLYMAN KRAMER:

Is the \$324,953 over the 2019-2021 biennium a result of additional staff conducting market inspections? In order to become self-funded, is the projected revenue of the FMIEP going to be \$227,445 annually or \$324,953 biannually? Were additional staff taken into account in order to come up with the \$324,953?

MR. NICHOLS:

The Governor's recommendation includes two new full-time agriculturalists. The NDA currently has 13 agriculturalists and if E-275 is approved it would increase the number to 15. I am not aware of how many seasonal inspectors are currently employed by the NDA.

ASSEMBLYMAN KRAMER:

Does the FMIEP generate its revenues from inspections to pay for itself? It sounds like it does, as no General Fund appropriations are being requested for decision unit E-275. If the FMIEP is self-supporting, where does the \$227,445

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come into play? The \$227,445 can only be a fraction of the costs it would take to employ 15 agriculturalists.

ALEX HAARTZ (Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The FMIEP is a new function being proposed by the NDA. In terms of how the FMIEP is structured to perform its new functions not including any other existing staff or costs, the NDA is projecting it will cost approximately \$162,000 a year, as this proposal has been amended by the Governor. Based upon the USDA rates and the existing State reimbursement rates, the NDA is projecting the FMIEP will generate \$227,445 in each year of the 2019-2021 biennium. This proposal is not meant to fund existing staff, as it is a self-contained unit.

ASSEMBLYMAN KRAMER:

Will the 839 annual market inspections cost \$227,445? If a truckload costs \$3,000 to inspect and the FMIEP is a voluntary program, how will this money be generated? Trucks are just going to unload without paying the inspection fee if they do not have to.

MR. HAARTZ:

Your point is well taken. The NDA is in the best position to explain how they arrived at the projection of the 839 inspections they would perform. Fiscal staff understands the 839 inspections involve a new workload with the revenues being generated from the new work actually performed. Presumably the NDA would staff up accordingly based upon what they were experiencing with the workload.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN B/A 101-4545 AS AMENDED BY BUDGET AMENDMENT NO. A193364545 FOR 2 NEW FULL-TIME AGRICULTURALIST POSITIONS TO BE FILLED IN FY 2020 AND 2 SEASONAL AGRICULTURAL INSPECTOR POSITIONS TO BE FILLED IN FY 2021 TO SUPPORT THE NEW FMIEP FUNDED WITH RESERVE REDUCTIONS TOTALING \$324,953 OVER THE 2019-2021 BIENNIUM.

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ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

ASSEMBLYMAN KRAMER:

I doubt these inspections will be able to generate \$227,445. I would like the NDA to provide the IFC with a six-month report after the FMIEP starts to show that what is being projected is actually and reasonably being achieved.

SENATOR PARKS MOVED TO AMEND THE RECOMMENDATION TO THE FULL COMMITTEES TO INCLUDE REQUIRING THE NDA TO PROVIDE THE IFC WITH A PROGRESS REPORT WITHIN 6 MONTHS OF THE FMIEP STARTING.

ASSEMBLYWOMAN JAUREGUI CONCURRED WITH THE AMENDMENT TO THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR GOICOECHEA WAS EXCUSED FOR THE VOTE.)

\* \* \* \* \*

MR. NICHOLS:

The second major closing issue with B/A 101-4545 is regarding a new agriculturalist for the NDA Plant Pathology Laboratory (PPL) contained in E-276.

E-276 Educated and Healthy Citizenry — Page AGRICULTURE-20

The Governor recommends reserve reductions of \$199,209 over the 2019-2021 biennium for a new agriculturalist position and associated costs to support the PPL in Sparks. The NDA indicates this proposed new position would establish more efficient laboratory processes as a part of a new NDA Plant Health Assessment Program.

The Agency indicated the new agriculturalist would increase the number of samples the PPL can process in a timely manner and establish a minimum staffing level of two full-time positions in the PPL. During the February 7, 2019,

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budget hearing, the NDA indicated the PPL does not currently have a fee schedule and as such services are provided to industry or the public free of charge. The NDA indicated that if this position were approved they would initiate the regulatory process to establish a new fee schedule for the PPL in the summer of FY 2019 with the goal of implementing the schedule in FY 2020. The NDA indicates approval of this position would allow them to implement a pilot program with associated fees for the new Plant Health Assessment Program. The NDA indicated that the current workload at the PPL necessitates this new position even if the proposed Plant Health Assessment Program was not implemented. The NDA also indicated this position would eventually be fee-funded through the proposed new fee schedule.

Do the Subcommittees wish to approve a new agriculturalist position for the PPL as recommended by the Governor funded with reserve reductions of \$199,209 over the 2019-2021 biennium?

ASSEMBLYMAN KRAMER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE A NEW AGRICULTURALIST POSITION IN B/A 101-4545 FOR THE PPL AS RECOMMENDED BY THE GOVERNOR FUNDED WITH RESERVE REDUCTIONS OF \$199,209 OVER THE 2019-2021 BIENNIUM.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR GOICOECHEA WAS EXCUSED FOR THE VOTE.)

\* \* \* \* \*

MR. NICHOLS:

The third major closing issue with B/A 101-4545 is regarding the increase in contract staff contained in E-228.

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The Governor recommends reserve reductions of \$70,000 in each FY of the 2019-2021 biennium to increase contracted Manpower of Nevada temporary labor expenditures the NDA indicates are necessary in times of unexpected industry demand or to cover for full-time positions that are temporarily vacant. If E-228 is approved, it would increase the NDA's operating expenditures with Manpower to \$260,230 over the 2019-2021 biennium. This is an increase of approximately 116.4 percent over the \$120,230 included in operating expenditures in the base budget. This amount is not inclusive of the expenditures for Manpower that are specifically provided for within individual programs in B/A 101-4545.

The NDA indicated this funding would provide for two part-time contracted employees in Las Vegas to provide additional pesticide operator and applicator inspections. The NDA also indicated that current staffing levels for these activities are unable to carry out the mission of the program which is protection of public and environmental safety. The table on page 10 of [Exhibit C](#) shows the number of inspections and violations found in preceding fiscal years.

The NDA indicated each contracted inspector included in E-228 would perform an estimated 270 inspections per year. The NDA indicated it was in the process of changing pest control operator license fees through regulation. Additional revenue to support the NDA Pesticide Operator and Applicator Inspection Program may be available in the future.

Do the Subcommittees wish to approve increased contract staff expenditures to fund two additional contracted employees for pest control-related activities funded through reserve reductions of \$70,000 in each FY of the 2019-2021 biennium as recommended by the Governor?

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE INCREASED CONTRACT STAFF EXPENDITURES IN B/A 101-4545 TO FUND 2 ADDITIONAL CONTRACTED EMPLOYEES FOR PEST CONTROL-RELATED ACTIVITIES FUNDED THROUGH RESERVE REDUCTIONS OF \$70,000 IN EACH FY OF THE 2019-2021 BIENNIUM AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR GOICOECHEA WAS  
EXCUSED FOR THE VOTE.)

\* \* \* \* \*

MR. NICHOLS:

The fourth major issue with B/A 101-4545 is regarding increased travel. The Executive Budget recommends total reserve reductions of \$86,292 over the 2019-2021 biennium for E-226, E-229 and E-227 to increase the NDA's travel expenditures.

E-226 Efficient and Responsive State Government — Page AGRICULTURE-17

E-229 Efficient and Responsive State Government — Page AGRICULTURE-19

E-227 Efficient and Responsive State Government — Page AGRICULTURE-18

Regarding the out-of-State travel contained in E-226, the Governor recommends reserve reductions totaling \$19,390 over the 2019-2021 biennium to fund increased out-of-State travel authority for NDA staff to attend various national and regional conferences. The base budget contains \$19,438 in funding for out-of-State travel.

The NDA derived the funding requested in E-226 by estimating the total amount of out-of-State travel needed for the 2019-2021 biennium then subtracting the amount of funding contained in B/A 101-4545. Page 11 of [Exhibit C](#) outlines the total amount of travel included in the base budget and E-226. The NDA was unable to provide actual specifics regarding what new travel the recommended funding in E-226 would support. Therefore, while Fiscal staff notes that certain trips appear reasonable to support the NDA's business functions, we cannot determine whether the \$19,390 amount requested over the \$19,438 in the base budget is reasonable.

Do the Subcommittees wish to approve reserve reductions totaling \$19,390 over the 2019-2021 biennium to fund increased out-of-State travel expenditures for NDA staff to attend various national and regional conferences as recommended by the Governor?

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CHAIR CANCELA:

The request made in E-226 reflects my concerns regarding travel in B/A 101-4545. The travel requests the NDA is making are very different than what other agencies of a similar size have made.

ASSEMBLYWOMAN MONROE-MORENO:

Regarding E-226, how many of these trips are necessary to keep NDA certifications active? Are some of these trips just being used to gather new agricultural information? How many of these trips are actually necessary?

Ms. OTT:

None of the trips in E-226 shown on page 11 of [Exhibit C](#) are required for NDA certification. The trips are meant to involve the NDA in large policy-related issues and to make sure Nevada is represented in this area. As Nevada contains a lot of federal lands, it is important for the NDA to be involved in policy issues. These issues are the basis for E-226. The two trips to the North American Chemical Residue Workshop (NACRW) and the Association of American Plant Food Control Officials (AAPFCO) meeting are important to the agriculture industry as they provide updates. These are especially important in the technical and chemistry industry where there are new national procedures, methods and regulations being discussed; NDA staff needs to be aware of and trained on these things.

ASSEMBLYMAN KRAMER:

Money is tight all around; I have a tough time approving E-226 which doubles out-of-State travel funding. I see the importance of attending the NACRW and AAPFCO meetings and maybe a third conference which could not be attended in the past due to a NDA staff vacancy with current staff needing to be brought up to speed. I have a tough time approving reserve reductions totaling \$19,390 and would be more comfortable approving \$9,000 or \$10,000 for travel. I do not see a cost breakdown for each trip; the Agency has not provided information regarding which trips are contained in the base budget and which trips are being added. I will be a "no" vote regarding E-226.

MR. NICHOLS:

The NDA trips described on page 11 of [Exhibit C](#) reflect travel allotted for in the base budget and in E-226. As Assemblyman Kramer noted, it is difficult to



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specify which specific trips are included in E-226. Decision unit E-226 would essentially double the amount of out-of-State travel included in the base budget. Fiscal staff made an effort to identify which trips were included in the base budget, but this is not always possible.

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

Regarding expenditures in the B/A 101-4545 base budget, out-of-State travel in FY 2018 was budgeted at \$14,317 but only \$9,700 was spent. The out-of-State travel being requested by the Agency for the 2019-2021 biennium is significantly higher and would basically triple the amount spent by the NDA on travel in FY 2018.

ASSEMBLYWOMAN MONROE-MORENO:

Based on the statements by Ms. Jones and Assemblyman Kramer, I would make a motion to approve a portion of E-226. Due to many of these trips already being included in the base budget, I think we should only approve \$10,000 for E-226. The \$10,000 is close to the amount the NDA spent on travel in FY 2018.

Ms. JONES:

Will the NDA be able to choose which trips they would like to take above the amount already included in the base budget if an additional \$10,000 is provided? When the Nevada Legislature approves travel funding in general, an Agency still has the option to freely choose which trips they would like to take and not have this decision made for them.

ASSEMBLYWOMAN MONROE-MORENO:

Correct. I would also request Fiscal staff still have the authority to make technical adjustments as needed.

SENATOR PARKS:

Will the \$10,000 approved for E-226 be in addition to the \$19,438?

ASSEMBLYWOMAN MONROE-MORENO:

I would like to retract my suggested motion of only approving \$10,000 for E-226. Because the NDA only spent \$9,700 in FY 2018 for out-of-State

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travel, my intent was to only approve \$10,000 in the base budget and not approve any funding for travel contained in E-226. I am changing my proposed motion to not approve E-226 so the NDA will only pay for out-of-State travel through their base budget.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO NOT APPROVE RESERVE REDUCTIONS IN B/A 101-4545 TOTALING \$19,390 OVER THE 2019-2021 BIENNIUM TO FUND INCREASED OUT-OF-STATE TRAVEL EXPENDITURES FOR NDA STAFF CONTAINED IN E-226 AND TO APPROVE THE NDA TO USE BASE BUDGET FUNDING TO ATTEND VARIOUS NATIONAL AND REGIONAL CONFERENCES AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

The next travel-related decision unit in B/A 101-4545 is E-229 described on page 12 of [Exhibit C](#). Decision unit E-229 makes a request for additional out-of-State travel.

E-229 Efficient and Responsive State Government — Page AGRICULTURE-19

The Governor recommends additional reserve reductions totaling \$44,540 over the 2019-2021 biennium to increase out-of-State travel authority for NDA staff to participate in various trainings and meetings in support of various programs. In response to Fiscal staff questions regarding whether the travel in E-229 was required or discretionary, the NDA indicated all travel in E-229 is discretionary. The trips to be funded through E-229 are shown on page 12 of [Exhibit C](#).

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The NDA was unable to provide actual specifics regarding what new travel the recommended funding in E-229 would support. The Agency has indicated the travel in E-229 is not required but is discretionary. Fiscal staff cannot determine whether the \$44,540 amount requested for out-of-State travel in E-229 over the \$3,825 included in the categories for the various programs included in the base budget is reasonable.

Do the Subcommittees wish to approve the Governor's recommendation to utilize reserve reductions totaling \$44,540 over the 2019-2021 biennium for additional staff out-of-State travel for various trainings and meetings related to the NDA Noxious Weed Control Program, NDA Industrial Hemp Research, NDA Other Seed, NDA Nursery and NDA Pest Control Operator programs?

ASSEMBLYMAN KRAMER:

Can you tell me what the base budget was and what the actual amount spent in this category was during the 2017-2019 biennium?

MR. NICHOLS:

The amount of \$3,825 is included in the base budget for out-of-State travel in support of the various programs included in E-229.

MR. HAARTZ:

Is Assemblyman Kramer asking for information regarding all programmatic activities including personnel and other operating expenditures or just for information relating to out-of-State travel contained in E-229?

ASSEMBLYMAN KRAMER:

I am just asking for information relative to the out-of-State travel contained in E-229 during the 2017-2019 biennium. I would like to know how much was spent and how much was actually budgeted for last biennium, as we are now looking at an increase of \$44,540.

MR. NICHOLS:

Are you interested in the total amount spent for each NDA program or just the amount spent for travel within each program?

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ASSEMBLYMAN KRAMER:

The NDA is asking for \$44,540 in additional out-of-State travel within E-229. What was the NDA's budget for travel during the 2017-2019 biennium and how much was spent on out-of-State travel? It seems unreasonable that \$3,825 was budgeted for last biennium considering the NDA is now asking for the much higher amount of \$44,450. It is concerning for the NDA to request \$45,000 in the 2019-2021 biennium for out-of-State travel costs for a staff of 25 people. I do think we need to dig deeper into this issue.

CHAIR CANCELA:

What is the NDA's budget regarding out-of-State travel?

MR. NICHOLS:

There are separate categories within NDA's budget which log in-State and out-of-State travel. The general out-of-State travel category for NDA's base budget contains \$19,438. The categories specific to the Noxious Weed, Industrial Hemp Research, Other Seed, Nursery and Pest Control Operator programs contain additional out-of-State funding for travel.

CHAIR CANCELA:

The trips to the Industrial Hemp Summit and the National Association of State Departments of Agriculture, National Industrial Hemp Regulatory Conference are important. The NDA is indicating that these trips are a high priority to them. My concerns will be alleviated if these trips can be covered with base funding. I share Assemblyman Kramer's concerns regarding the NDA's request for an additional \$45,000 for out-of-State funding especially when there is \$19,896 contained in the base budget for travel.

SENATOR GOICOECHEA:

I know the NDA has new directors and personnel, but I agree that the NDA is requesting a lot of money. Is the intent to train NDA personnel by letting them travel the world?

MR. HAARTZ:

Information regarding the out-of-State travel contained in E-229 is shown on page 12 of [Exhibit C](#). As included in the Executive Budget, E-229 is budgeted to fund out-of-State travel for 5 specific NDA program areas in B/A 101-4545

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including the Noxious Weed Control Program. Regarding the 5 NDA programs within B/A 101-4545, the base budget contains \$3,825 of expenditures for FY 2019. This \$3,825 will be carried forward into FY 2020 and FY 2021.

The Governor's recommended budget for E-229 provides \$22,270 in additional out-of-State travel funding for each year of the 2019-2021 biennium. The 5 NDA programs in B/A 101-4545 have spent approximately \$4,000 of E-229 funding so far. There is additional out-of-State funding included in B/A 101-4545, but this funding has been budgeted within a generic general purpose out-of-State expenditure category; it is not unusual for agencies to do this. It is not possible to tell if the 5 NDA programs could be credited with more expenditures or not. Decision unit E-229 is proposing an increase from \$3,825 to \$22,270 in each year of the 2019-2021 biennium.

CHAIR CANCELA:

All travel within E-229 is discretionary.

ASSEMBLYWOMAN JAUREGUI:

The amount being requested in E-229 is a large increase. The NDA can come to IFC and request a transfer of funding within B/A 101-4545 between travel-related decision units, if necessary. If all of the out-of-State travel being requested in E-229 can be covered with the \$3,825 in the base budget, then asking for an additional \$22,270 is asking too much. When looking at all the NDA budgets cumulatively, the Agency is asking for a 100 percent increase when compared to the 2017-2019 biennium.

SENATOR GOICOECHEA:

The NDA is inflating the travel and training expenditures to backfill other areas of B/A 101-4545. Can an agency be the only one who does this and are they limited in doing so?

MR. HAARTZ:

In some instances, the NDA would need to approach the IFC with prepared work programs to move authority between expenditure categories within a B/A. If the transfer of funding is within the same expenditure category, and the agency has programmatic-related expenditures, then a work program would not be necessary.

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SENATOR GOICOECHEA:

I do not understand a lot of this, but I do see a huge increase regarding requests for travel and training. We cut so much funding in B/A 101-4546 that the AEOs will no longer have vehicles, equipment and cannot be paid. Reserve funding will be insolvent as a result. I think we missed the mark on approving and not approving many of the NDA budgets, and it looks like everything is focused on travel and training.

ASSEMBLYWOMAN JAUREGUI MOVED TO RECOMMEND TO THE FULL COMMITTEES TO NOT APPROVE THE GOVERNOR'S RECOMMENDATION TO UTILIZE RESERVE REDUCTIONS TOTALING \$44,540 FROM B/A 101-4545 OVER THE 2019-2021 BIENNIUM FOR ADDITIONAL STAFF OUT-OF-STATE TRAVEL FOR VARIOUS TRAININGS AND MEETINGS FOR THE NOXIOUS WEED, INDUSTRIAL RESEARCH, OTHER SEED, NURSERY AND PEST CONTROL OPERATOR PROGRAMS.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN WHEELER WAS EXCUSED FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

The in-State travel contained in E-227 from B/A 101-4545 is described on page 13 of [Exhibit C](#).

E-227 Efficient and Responsive State Government — Page AGRICULTURE-18

The Governor recommends reserve reductions totaling \$22,362 over the 2019-2021 biennium to expand in-State travel for Agency staff to travel in support of the Noxious Weed, Other Seed and Nursery programs. The base budget contains \$19,896 in funding for in-State travel.

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Decision unit E-227 includes travel expenditures for noxious weed surveys, native seed inspections, allium inspections, nursery inspections and plant health inspections. The NDA was unable to provide actual specifics regarding what new travel the recommended funding would support. While Fiscal staff notes the purpose of the travel appears reasonable to support the Agency's business functions, we cannot determine whether the \$22,362 amount requested for in-State travel over the \$19,896 included in the categories for the various programs included in the base is reasonable.

Do the Subcommittees wish to approve reserve reductions totaling \$22,362 over the 2019-2021 biennium to fund increased in-State travel expenditures for the Noxious Weed, Other Seed and Nursery programs as recommended by the Governor?

ASSEMBLYMAN WHEELER:

If the NDA cannot provide Fiscal staff with the in-State travel information they are requesting, I cannot see approving any of the additional funding contained in E-227.

ASSEMBLYMAN WHEELER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO NOT APPROVE RESERVE REDUCTIONS IN B/A 101-4545 TOTALING \$22,362 OVER THE 2019-2021 BIENNIUM TO FUND INCREASED IN-STATE TRAVEL EXPENDITURES FOR THE NOXIOUS WEED, OTHER SEED AND NURSERY PROGRAMS AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN KRAMER:

If the NDA could tell us they increased the amount of staff in these areas and that this resulted in additional work being required, I would feel justified in approving E-227. This would especially hold true in rural areas where NDA staff would have to travel further for trainings. We have not heard that the NDA was unable to travel places last biennium due to a lack of travel funding and was thus unable to accomplish their mission. If someone from the NDA can provide us with this information, I might reconsider my stance, but until then, I support Assemblyman Wheeler's motion to not approve E-227.

SENATOR PARKS SECONDED THE MOTION.

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SENATOR GOICOECHEA:

I know we are only talking about \$3,000, and the NDA has in-State travel needs. Can someone from the NDA tell us why the funding in E-227 is necessary before we eliminate so much funding that the NDA cannot even tour rural Nevada to do their jobs? I am concerned we are cutting this too much.

CHAIR CANCELA:

There is \$19,896 in the base budget for in-State travel; the NDA is requesting an additional \$22,362 above this amount in E-227. The NDA is not requesting an additional \$3,000 but is requesting an additional \$22,000.

ASSEMBLYMAN WHEELER WITHDREW HIS MOTION.

SENATOR PARKS WITHDREW HIS SECOND.

\* \* \* \* \*

MR. HAARTZ:

Regarding the in-State travel in E-227 shown on page 13 of [Exhibit C](#), the Governor recommends reserve reductions totaling \$11,161 in each year of the 2019-2021 biennium for Noxious Weed, Other Seed and Nursery programs. Regarding the base budget, these 3 programs expended \$11,300 which is projected to be continued in each FY of the upcoming biennium. The Governor's recommended budget essentially doubles the amount of funding for in-State travel regarding the three NDA programs.

ASSEMBLYWOMAN MONROE-MORENO:

Does the base budget for E-227 total \$19,896 with actual expenditures equaling \$11,300?

MR. HAARTZ:

The overall base budget regarding in-State travel in B/A 101-4545 in total is \$19,986 and includes the generic expenditure areas. Decision unit E-227 proposes increasing in-State travel for 3 specific NDA programs. For these three specific NDA programs, the Governor recommends continuing this amount of funding. There is \$11,300 worth of expenditures in the base budget



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for these 3 NDA programs. The Governor is recommending an additional \$11,161 in each year for the 3 programs with the 3 programs combined receiving \$22,461 in each year of the 2019-2021 biennium.

ASSEMBLYMAN KRAMER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE RESERVE REDUCTIONS OF 10 PERCENT OF \$22,362 TOTALING \$2,236 FROM B/A 101-4545 OVER THE 2019-2021 BIENNIUM TO FUND INCREASED IN-STATE TRAVEL EXPENDITURES FOR THE NOXIOUS WEED, OTHER SEED AND NURSERY PROGRAMS AS RECOMMENDED BY THE GOVERNOR.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

There are 3 other closing items within B/A 101-4545 all of which appear reasonable to Fiscal Staff. Fiscal staff recommends the approval of all other closing items as recommended by the Governor with authority to make technical adjustments as needed.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE ALL OTHER CLOSING ITEMS IN B/A 101-4545 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

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MR. NICHOLS:

Information regarding B/A 101-4540 begins on page 15 of [Exhibit C](#). The NDA Plant Health and Quarantine Services provides entomology and plant pathology programs which detect, eradicate and prevent entry of plant diseases, physiological plant disorders, pests and noxious weeds. There is one major closing issue in B/A 101-4540 regarding the continuation of the NDA Drought Initiative.

AGRI - Plant Health & Quarantine Services — Budget Page AGRICULTURE-25  
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Funding for the NDA's participation in the Drought Initiative for the 2017-2019 biennium was approved during the 2017 Legislative Session. The Executive Budget recommends enhancement decision units E-350 and E-225 over the 2019-2021 biennium to expand the NDA's involvement in the Drought Initiative.

E-350 Safe and Livable Communities — Page AGRICULTURE-27  
E-225 Efficient and Responsive State Government — Page AGRICULTURE-27

The conversion of a part-time agriculturalist to full-time is contained in E-350. The Governor recommends General Fund appropriations totaling \$82,542 over the 2019-2021 biennium to increase an existing agriculturalist position from part-time to full-time. The NDA indicates this position develops recommendations for drought-resilient crops and for agricultural and ranching practices that encourage water conservation.

The NDA indicated that in addition to the Drought Initiative this agriculturalist position is also working in the Federal Drug Administration (FDA) Food Safety Modernization Act program in addition to performing duties related to the NDA Industrial Hemp program. All of these programs have similar peak periods during the spring and summer seasons. Accordingly, this position is performing inspection duties at the same time that the on-farm conservation projects are in progress and need oversight.

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Fiscal staff inquired whether E-350 would be necessary if the One-Shot appropriation in Bill Draft Request (BDR) S-1177 of \$400,000 in General Fund appropriations to continue the incentive program for on-farm water conservation projects was not approved. The NDA indicated that if funding for the incentive program was not approved E-350 would not be needed.

**BILL DRAFT REQUEST S-1177**: Makes appropriations from the State General Fund to the Department of Agriculture for water conservation projects and the purchase and replacement of laboratory equipment. (Later introduced as [Assembly Bill 504](#).)

FY 2019 One-Shot, (BUDGET OVERVIEW-22)

Do the Subcommittees wish to approve General Fund appropriations totaling \$82,542 over the 2019-2021 biennium to convert an agriculturalist position working on Drought Initiative-related duties from part-time to full-time as recommended by the Governor contingent upon passage and approval of BDR S-1177?

SENATOR GOICOECHEA:

I do not support BDR S-1177, as I do not think this money was dispersed properly during the 2017-2019 biennium. I do not think BDR S-1177 is truly a drought measure. I am interested in the conversion of the agriculturalist from part-time to full-time to deal with drought-resistant products and the Industrial Hemp program. It takes about two feet of water from hemp to grow compared to three-and-a-half to four feet for alfalfa. There is a place for hemp products when discussing drought. Regarding drought conservation, the \$500,000 contained in the NDA's budget during the 2017-2019 biennium was wasted. I do not approve of E-350.

Ms. JONES:

The NDA has indicated that if BDR S-1177 does not pass to provide additional funding for the Drought Initiative, they will not need a full-time position and a half-time position will suffice.

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SENATOR GOICOECHEA:

I think having a full-time agriculturalist will be beneficial in order to have NDA staff working on drought-related issues Statewide full-time. I did not support Senate Bill (S.B.) 499 when it was heard by the Nevada Legislature Senate Committee on Natural Resources as there are much better places we can spend \$500,000.

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

It sounds like BDR S-1177 may involve more than the Drought Initiative making it more difficult for the Subcommittees to not approve E-350.

Ms. JONES:

Did the NDA indicate that BDR S-1177 is closely related to the Drought Initiative?

MR. NICHOLS:

The request made in BDR S-1177 will continue the on-farm water conservation projects in a very similar fashion to the \$500,000 appropriated to the NDA during the 79th Legislative Session.

Ms. JONES:

The purchase and replacement of laboratory equipment is mentioned in BDR S-1177, but I am not sure what type of equipment this is or how much it will cost.

SENATOR GOICOECHEA:

The NDA director does not know this information either. I do not support the \$500,000 to be used in the Drought Initiative, as this money was misappropriated during the 2017-2019 biennium. I would consider using some of this funding to buy certain equipment, but until we know the type of equipment which would be purchased, I cannot support the provision of \$500,000.

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CHAIR CANCELA:

The question before us is not the approval of \$500,000. If Drought Initiative funding does not come in through BDR S-1177 to be used for on-farm conservation projects, the position in E-350 will not be necessary. If BDR S-1177 is approved, the position in E-350 will be necessary to help in related efforts. While I hear Senator Goicoechea's concerns about the misuse of spending regarding the \$500,000 in Drought Initiative funding during the 2017-2019 biennium, if Drought Initiative-related activities are approved for the 2019-2021 biennium, the agriculturalist position in E-350 will be necessary. Because the \$82,542 in General Fund appropriations is contingent upon Drought Initiative funding coming in through BDR S-1177, it is important to strongly consider this issue.

SENATOR GOICOECHEA:

In a perfect world, I would approve the \$82,542 and not approve the \$400,000 for the Drought Initiative, but this is not an option. I would like to staff the agriculturalist position at full-time, but as of right now, I cannot approve of E-350 or the \$400,000 requested in BDR S-1177.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO NOT APPROVE GENERAL FUND APPROPRIATIONS FOR B/A 101-4540 TOTALING \$82,542 OVER THE 2019-2021 BIENNIUM TO CONVERT AN AGRICULTURALIST POSITION WORKING ON DROUGHT INITIATIVE-RELATED DUTIES FROM PART TIME TO FULL TIME AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN WHEELER:

I also do not think BDR S-1177 should be approved but if it is, the agriculturalist position in E-350 will be necessary. I would like to make the approval of E-350 contingent upon the passage of BDR S-1177.

SENATOR GOICOECHEA WITHDREW HIS MOTION.

ASSEMBLYMAN WHEELER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE GENERAL FUND APPROPRIATIONS TOTALING \$82,542 FOR B/A 101-4540 OVER THE 2019-2021 BIENNIUM TO CONVERT AN AGRICULTURALIST POSITION

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WORKING ON DROUGHT INITIATIVE-RELATED DUTIES FROM PART TIME TO FULL TIME AS RECOMMENDED BY THE GOVERNOR CONTINGENT UPON THE PASSAGE AND APPROVAL OF BDR S-1177.

SENATOR GOICOECHEA SECONDED THE MOTION.

SENATOR GOICOECHEA:

Hopefully, some funding for the Drought Initiative comes in to make the agriculturalist position necessary.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

The second enhancement decision unit related to the Drought Initiative is E-225 which deals with in-State travel.

E-225 Efficient and Responsive State Government — Page AGRICULTURE-27

The Governor recommends General Fund appropriations totaling \$12,192 over the 2019-2021 biennium for an environmental scientist to travel in-State in support of the Nevada Advisory Committee on Water Planning and Drought. During the February 7, 2019, budget hearing, the NDA confirmed that travel in support of the Advisory Committee would be contingent upon passage and approval of drought management decision units E-353 and E-355 in the Department of Conservation and Natural Resources Water Resources B/A 101-4171 as well as S.B. 499. The Advisory Committee was created through S.B. 499.

INFRASTRUCTURE

CONSERVATION AND NATURAL RESOURCES

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

E-353 Safe and Livable Communities — Page DCNR-60  
E-355 Safe and Livable Communities — Page DCNR-61

The Assembly Committee on Ways and Means and the Senate Committee on Finance Joint Subcommittees on Public Safety, Natural Resources and Transportation recommended not approving E-355 in B/A 101-4171 which would create the Advisory Committee. Additionally, S.B. 499 was not passed out of first committee by the Friday, April 12, 2019, deadline, and thus no further action is allowed.

In response, the NDA confirmed that the travel associated with E-225 is no longer needed, as E-355 in B/A 101-4171 and enabling legislation that would create the Advisory Committee were not approved. Fiscal staff recommends not approving E-225 for the travel in support of the Advisory Committee.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO  
THE FULL COMMITTEES TO NOT APPROVE DECISION UNIT E-225 IN  
B/A 101-4540.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

There are 2 other closing items regarding B/A 101-4540 both of which appear reasonable. Fiscal staff recommends the approval of all other closing items as recommended by the Governor with authority to make technical adjustments as needed.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE ALL OTHER CLOSING ITEMS IN B/A 101-4540 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

Information regarding B/A 101-4552 begins on page 19 of [Exhibit C](#). Programs funded in B/A 101-4552 provide for the control of fire ants, ash borer, vertebrate pests, and noxious weeds, the surveying of plant pathology, nematode, gypsy moth and nursery pests. This includes cost sharing of cooperative weed management and sub granting to the University of California, Davis, for a plant pathology lab. There is one major closing issue with B/A 101-4552 regarding an increase in seasonal employees contained in E-225.

AGRI - Pest, Plant Disease Noxious Weed Control — Budget Page  
AGRICULTURE-30 (Volume I)  
Budget Account 101-4552

E-225 Efficient and Responsive State Government — Page AGRICULTURE-33

The Governor recommends an additional eight seasonal employees to assist with various entomology-related inspections and sample collections to meet federal grant objectives and to safeguard against potential pest outbreaks.

In follow-up to the Subcommittees' questions, the NDA indicated there had been a substantial increase in the past four years of sites with treatable Mormon cricket populations. The growth in the number of sites and the percent increase of sites with a treatable population of Mormon crickets is shown in a table on



page 20 of [Exhibit C](#). The NDA indicated the significant increase in the number of sites with treatable populations is largely due to environmental factors such as wet winters as well as the presence of infestations in areas that are difficult to reach.

The Subcommittees inquired what specific federal grants are associated with these positions, as E-225 is recommended to be funded through reserve reductions. The NDA has indicated that USDA Animal and Plant Health Inspection Service grants ultimately fund these positions.

The NDA is currently budgeted for eight seasonal positions to work on various programs managed by the NDA entomologist and the NDA plant pathologist. If E-225 is approved, it would fund an additional 8 positions for a total of 16 seasonal positions.

The Executive Budget contains an error regarding personnel expenditures and associated funding for FY 2021. Fiscal staff has worked with the Agency and the GFO to correct the personnel expenditures and associated funding needed for E-225. As reflected on page 21 of [Exhibit C](#), Fiscal staff recommends adjusting personnel expenditures from a negative \$148,040 to a positive \$152,266 in FY 2021 which results in total reserve reductions of \$300,306 over the 2019-2021 biennium.

Do the Subcommittees wish to approve reserve reductions of \$300,306 over the 2019-2021 biennium to fund 8 additional seasonal positions as recommended by the Governor with the noted technical adjustment?

ASSEMBLYMAN KRAMER:

This sounds like conflicting information. The reserve funding in B/A 101-4552 seems to be decreasing every year; we are talking about reducing it again by \$300,000 this year. If USDA Animal and Plant Health Inspection Service grants ultimately fund the seasonal employees, does the funding from these grants ultimately go into the reserve funding of B/A 101-4552? This is especially relevant considering the positions in E-225 are funded with reserve reductions.

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MR. NICHOLS:

As part of the adjusted-base budget review process, the projected federal grant monies received by B/A 101-4552 are included in the base budget. The enhancement decision units for B/A 101-4552 are then funded through reserve funding. While the Executive Budget shows these positions are funded with reserve reductions, Fiscal staff is able to verify which grants fund which positions. Decision unit E-225 will be funded by USDA Animal and Plant Health Inspection Service grants.

ASSEMBLYMAN KRAMER:

Considering the positions contained in E-225 are seasonal, are we looking at filling these positions as summer jobs for college students?

MS. OTT:

Some of the positions in E-225 are filled with college students; some are filled people seeking part-time employment.

SENATOR GOICOECHEA:

It is important to treat sites with Mormon crickets and grasshoppers. What happens if there is no infestation? Will we have eight student workers idling around?

CHAIR CANCELA:

If the \$300,306 in E-225 is approved but not spent, will the funding revert back into the State General Fund?

MR. NICHOLS:

As the funds associated with E-225 come from federal grants, the money would have to be strictly used for Animal and Plant Health Inspection Service grant activities. Enhancement decision unit E-225 requests the authority to expend up to a certain amount of money, and gives the NDA authority to hire up to 8 seasonal positions. If the positions are not utilized and the federal grant money is not needed for infestations, the funding will remain in the base budget of B/A 101-4552 to be used for activities supportive of the Animal and Plant Health Inspection Service grant.

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SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE RESERVE REDUCTIONS OF \$300,306 OVER THE 2019-2021 BIENNIUM TO FUND 8 ADDITIONAL SEASONAL POSITIONS IN B/A 101-4552 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE THE NOTED TECHNICAL ADJUSTMENT.

ASSEMBLYMAN WHEELER SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

There are 3 other closing items in B/A 101-4552 all of which appear reasonable to Fiscal staff. Fiscal staff recommends approval of other closing items as recommended by the Governor with authority to make technical adjustments to B/A 101-4552 as necessary.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEMS IN B/A 101-4552 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

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MR. NICHOLS:

Information regarding B/A 101-4550 begins on page 23 of [Exhibit C](#). Fiscal staff is responsible for developing closing recommendations for B/A 101-4550. The Subcommittees have not previously reviewed this budget account.

The NDA's Veterinary Medical Services (VMS) provides diagnostic services to protect domestic and wild animals from communicable, infectious, nutritional and parasitic diseases. The VMS also works to protect people from animal diseases transmittable to humans. There are no major closing issues with B/A 101-4550.

There are 6 other closing items within B/A 101-4550. Other closing items 1 and 2 reflect certain technical adjustments. Other closing item 1 regards addition of certain registration costs excluded from the Executive Budget. Other closing item 2 removes costs in FY 2021 for a training which is only held every other year.

Staff recommends other closing items 1 and 2 be closed with the noted technical adjustments and all remaining other closing items as recommended by the Governor with authority for Fiscal staff to make additional technical adjustments as needed.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO CLOSE B/A 101-4550 WITH NOTED TECHNICAL ADJUSTMENTS IN OTHER CLOSING ITEMS 1 AND 2 AND ALL REMAINING OTHER CLOSING ITEMS BE CLOSED AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE ADDITIONAL TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR GOICOECHEA ABSTAINED FOR THE VOTE.)

\* \* \* \* \*

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MR. NICHOLS:

Information regarding B/A 101-4541 begins on page 27 of [Exhibit C](#). Fiscal staff is responsible for developing closing recommendations for B/A 101-4541. The Subcommittees have not previously reviewed the budget account.

AGRI - Commercial Feed — Budget Page AGRICULTURE-43 (Volume I)  
Budget Account 101-4541

Budget Account 101-4541 was created by S.B. No. 488 of the 78th Session. Commercial feed revenues are used to offset operating costs incurred by agricultural enforcement officers when performing inspections, sampling and analyzing commercial feed. There are no major closing issues or other closing items in B/A 101-4541. Fiscal staff recommends B/A 101-4541 be closed as recommended by the Governor with authority for Fiscal staff to make technical adjustments as necessary.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO CLOSE B/A 101-4541 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

Information regarding B/A 101-4557 begins on page 35 of [Exhibit C](#). This B/A was authorized as a new budget by the 2017 Legislature to primarily account for the personnel costs associated with the NDA's agricultural enforcement officers. There are no major closing issues with B/A 101-4557.

There are two other closing items regarding technical adjustments in B/A 101-4557. Other closing item 1 removes reserve funding erroneously

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included. Fiscal staff has confirmed with the NDA and the GFO that these reserves are not needed and has made a technical adjustment to remove them.

Other closing item 2 is an adjustment to the Statewide maintenance decision units M-100 and M-300. Decision unit M-100 deals with Statewide inflation and M-300 deals with Statewide fringe benefits rate adjustment. Both M-100 and M-300 are 50 percent funded through General Fund appropriations and 50 percent funded with fee funds. This is consistent with the funding mix found in the remainder of B/A 101-4557.

M-100 Statewide Inflation — Page AGRICULTURE-88

M-300 Fringe Benefits Rate Adjustment — Page AGRICULTURE-88

Fiscal staff recommends B/A 101-4557 be closed as recommended by the Governor with the noted technical adjustments in other closing items 1 and 2 and requests authority for Fiscal Staff to make other technical adjustments as needed.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO CLOSE B/A 101-4557 AS RECOMMENDED BY THE GOVERNOR WITH THE NOTED TECHNICAL ADJUSTMENTS IN OTHER CLOSING ITEMS 1 AND 2 WITH AUTHORITY FOR FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NEEDED.

ASSEMBLYMAN KRAMER SECONDED THE MOTION.

SENATOR GOICOECHEA:

I will be a "no" vote regarding B/A 101-4557 as the NDA AEOs should be funded with General Fund appropriations. The recommendations being made regarding B/A 101-4557 discuss paying for 50 percent of an AEOs salaries with fees, but clearly this measure will eventually fully deplete reserve funding in B/A 101-4557.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN WHEELER VOTED NO.)

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

\* \* \* \* \*

MR. NICHOLS:

Information regarding B/A 101-4600 begins on page 37 of [Exhibit C](#).

AGRI - Predatory Animal & Rodent Control — Budget Page AGRICULTURE-52  
(Volume I)  
Budget Account 101-4600

Fiscal staff is responsible for developing closing recommendations for B/A 101-4600. The Subcommittees have not previously reviewed this budget.

The NDA Predatory Animal and Rodent Control (PARC) Committee cooperates with the USDA to control predatory animals, crop-destroying birds and rodents. The PARC and the USDA collectively form the Nevada Wildlife Services program which works alongside the Nevada Department of Wildlife to prevent predation damage. There are no major closing issues with B/A 101-4600. There is 1 other closing item with B/A 101-4600 which appears reasonable to Fiscal staff. Fiscal staff recommends B/A 101-4600 be closed as recommended by the Governor with authority for Fiscal staff to make technical adjustments as needed.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES B/A 101-4600 BE CLOSED AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

Information regarding B/A 101-4551 begins on page 39 of [Exhibit C](#). The NDA Consumer Equitability Division (CE) licenses, tests and verifies the accuracy of all commercial weighing and measuring devices. The CE also maintains the metrology lab which houses the State standards for mass, length and volume. There are two major closing issues in B/A 101-4551 the first of which deals with five new weights and measures inspector positions.

AGRI - Consumer Equitability — Budget Page AGRICULTURE-56 (Volume I)  
Budget Account 101-4551

The Governor recommends reserve reductions totaling \$577,694 over the 2019-2021 biennium for personnel and associated costs for 5 new full-time weights and measures inspector positions.

The Executive Budget recommends 2 new inspectors to begin in FY 2020 with 1 stationed at the NDA office in Sparks and the other at the NDA office in Las Vegas. The NDA indicates these 2 positions are needed to replace inspector positions that were reclassified to metrologists during the 2015-2017 biennium. The remaining 3 inspectors in E-225 are recommended to be located at the NDA office in Las Vegas in FY 2021. The Agency indicates these three positions are needed due to increased demand for services in southern Nevada. During the February 7, 2019, budget hearing, the NDA testified that a ratio of inspectors-to-devices of approximately 1,800 to 2,000 devices per inspector is ideal.

E-225 Efficient and Responsive State Government — Page AGRICULTURE-58

The table shown on page 40 of [Exhibit C](#) shows the current ratio of inspectors-to-devices by region as well as how the ratios would change if the recommended 5 new positions are approved in E-225 are approved.

The NDA testified during the budget hearing that while annual inspections of devices are not required by NRS 582 most of the Agency's customers expect an annual device inspection because customers pay an annual fee per device whether the device is inspected annually or not. In response to Fiscal staff questions, the Agency indicated it is currently projecting to inspect 75 percent



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of the State's device inventory in FY 2019; however, if E-225 is approved, the NDA projects it would be able to inspect 80 percent of devices in FY 2020 and 90 percent in FY 2021. The NDA indicates that if these new positions are not approved, it would expect to inspect 75 percent of devices in the 2019-2021 biennium. Those projections may need to be reduced further depending on the growth of the number of devices.

The NDA also indicated the percentage of devices inspected in FY 2018 and FY 2019 was possible because it only performed other statutorily-mandated duties such as package checking, price verification and the auditing of public weighmasters on a complaint-driven basis. The NDA indicates approval of E-225 would allow the Agency to return to performing these duties on a proactive basis.

Do the Subcommittees wish to approve the addition of 5 new weights and measures inspectors over the 2019-2021 biennium funded with reserve reductions as recommended by the Governor?

SENATOR PARKS:

Have these Subcommittees received data describing an increase in fraudulent or skewed measurements? I do support the Governor's recommendation in E-225.

MR. NICHOLS:

Fiscal staff does not have this information; we can provide it at a later date.

CADENCE MATIJEVICH (Administrator, Division of Consumer Equitability, Nevada Department of Agriculture):

I do not have detailed device-by-device data, but retail motor fuel dispensers comprise roughly 70 percent of the devices in the NDA's licensed inventory and we are finding that about 10 percent of these dispensers are out-of-tolerance. Some of these dispensers are used for the benefit of consumers while other dispensers are used strictly for business activities. The NDA estimates that inspections from these dispensers generates about \$850,000 worth of value in the marketplace.

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ASSEMBLYMAN KRAMER:

If these fuel dispensers were used in the private industry, I would anticipate management would aim to get as many inspections done in a single trip as possible in order to respond to complaints in the most efficient manner. I know we have a little more money available this year than we have had in the past 10 years, but I am inclined to vote "no" regarding E-225.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE ADDITION OF 5 NEW WEIGHTS AND MEASURES INSPECTORS IN B/A 101-4551 OVER THE 2019-2021 BIENNIUM FUNDED WITH RESERVE REDUCTIONS AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN KRAMER VOTED NO.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

The second major closing issue in B/A 101-4551 is regarding the increased in-State travel and training contained in E-227.

E-227 Efficient and Responsive State Government — Page AGRICULTURE-59

For a portion of E-227, the Governor recommends reserve reductions totaling \$31,792 over the 2019-2021 biennium to fund in-State travel and training for the Agency's metrologists. Funding of \$6,044 is recommended in each FY to fund in-State travel for the Agency's 3 metrologists to complete proficiency testing on metrology equipment located in both the Las Vegas and Sparks NDA Metrology Laboratory Services Offices. The Agency indicates completion of this proficiency testing is necessary to meet U.S. Department of Commerce National Institute of Standards and Technology (NIST) requirements needed to

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retain the State's certificates of metrological traceability as required by NRS 581.067.

The Agency indicated NIST requires annual proficiency training for each laboratory for which a metrologist has been certified; the NDA's metrologists are certified for both laboratories.

Do the Subcommittees wish to approve this portion of decision unit E-227 to provide in-State travel for proficiency training for the NDA's 3 metrologists funded with reserve reductions of \$6,044 in each year of the 2019-201 biennium?

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE A PORTION OF E-227 IN B/A 101-4551 TO PROVIDE IN-STATE TRAVEL FOR PROFICIENCY TRAINING FOR 3 NDA METROLOGISTS FUNDED WITH RESERVE REDUCTIONS OF \$6,044 IN EACH YEAR OF THE 2019-2021 BIENNIUM.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

The second portion of E-227 requests funding of \$9,852 in each FY of the 2019-2021 biennium to fund the travel of 4 weights and measures inspectors to attend NIST weights and measures training in Washington, D.C. Based upon information in the Executive Budget, 8 different positions would attend the training over the 2019-2021 biennium. The NDA indicated funding limitations have prevented the Agency from sending most of their inspectors to training required to maintain NIST certification in the past. The Agency indicated there were 5 weights and measures inspectors who participated in NIST training in FY 2018 and that costs included in E-227 would allow for 13 of the Agency's inspectors to take NIST training during the 2019-2021 biennium.

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In response to Fiscal staff questions regarding whether this training was discretionary or mandatory, the Agency indicated inspectors are required to maintain certain NIST professional certifications as a condition of employment. However, since the Agency does not know what courses will be offered by NIST in a given year, it is difficult to state whether the courses would be considered mandatory. The Agency further indicated professional certifications might be at risk if this request was not approved or partially approved as certain inspectors may not be able to meet the training requirements within the timeframe established by the class specifications for weights and measures inspectors.

Do the Subcommittees wish to approve this portion of E-227 to allow 4 inspectors to attend NIST training in Washington, D.C. funded with reserve reductions of \$31,792 over the 2019-2021 biennium?

CHAIR CANCELA:

The Subcommittees just voted to approve five new weights and measures inspectors. Will these five inspectors require NIST training?

MR. NICHOLS:

Travel for NIST training for new inspectors is included in E-225. Decision unit E-227 would fund NIST training for the 13 inspectors included in the base budget of B/A 101-4551.

SENATOR PARKS:

The NIST trainings will take place in Washington, D.C. Are there NIST training programs available on the west coast?

MR. NICHOLS:

The organization offering NIST training is based in Washington, D.C. I am not aware if NIST training is available in other areas of the Country.

MS. MATIJEVICH:

Sometimes, NIST does offer trainings in other locations outside of Washington, D.C., but at the time we prepared the request in E-227 we were not able to determine where these trainings would be held. Anytime the NDA can send staff to closer and cheaper locations we do so. During FY 2018,

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the NDA sent staff to NIST training in Arizona and California. These trainings are also dependent on NIST staffs' ability to travel and how much funding is allotted for their travel in the federal budget.

SENATOR PARKS:

I have heard that Las Vegas is a good place for these trainings to take place.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE PORTION OF E-227 IN B/A 101-4551 ALLOWING 4 INSPECTORS TO ATTEND NIST TRAINING IN WASHINGTON, D.C. FUNDED WITH RESERVE REDUCTIONS OF \$31,792 OVER THE 2019-2021 BIENNIUM.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

There are 5 other closing items in B/A 101-4551 all of which appear reasonable to Fiscal staff. Fiscal staff recommends approval of all other closing items as recommended by the Governor with authority for Fiscal staff to make technical adjustments as necessary.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE OTHER CLOSING ITEMS IN B/A 101-4551 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

Information regarding NDA nutrition education programs in B/A 101-2691 begins on page 45 of [Exhibit C](#). The NDA's nutrition education programs receive federal funding for various student nutrition programs authorized by the USDA Food and Nutrition Service's (FNS) Healthy Hunger-Free Kids Act of 2010, including the FNS National School Lunch Program, the FNS School Breakfast Program, the FNS Summer Food Service Program (SFSP), the FNS Child and Adult Care Food Program (CACFP), the FNS Special Milk Program and the FNS Fresh Fruit and Vegetable Program.

There are 2 major closing issues in B/A 101-2691 the first of which deals with an increase in travel and training. The Governor recommends \$147,436 over the 2019-2021 biennium for E-225, E-226 and E-228 to increase travel and training expenditures.

E-225 Efficient and Responsive State Government — Page AGRICULTURE-66

E-226 Efficient and Responsive State Government — Page AGRICULTURE-66

E-228 Efficient and Responsive State Government — Page AGRICULTURE-67

For out-of-State travel contained in E-225 the Governor recommends reserve reductions of \$18,148 in each FY to fund out-of-State travel by Agency staff to attend various conferences. Information describing the travel in E-225 is shown on page 46 of [Exhibit C](#).

The NDA derived the funding requested in E-225 by estimating the total amount of out-of-State travel needed for the 2019-2021 biennium and then removing this amount from the base budget. Decision unit E-225 reflects the difference in these 2 amounts. The Agency indicated certain out-of-State travel costs in the 2017-2019 biennium may still be included in the base budget. The NDA confirmed that the funding requested in E-225 represents the total out-of-State funding required for B/A 101-2691. If the Subcommittees wish to approve the out-of-State travel requested by the Agency, it could approve

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E-225 and direct Fiscal staff to remove the out-of-State costs included in the base budget.

Do the Subcommittees wish to approve out-of-State travel expenditures totaling \$18,148 in each year of the 2019-2021 biennium funded with reserve reductions as recommended by the Governor? If so, do the Subcommittees support a technical adjustment to remove duplicative funding for out-of-State travel expenditures in special use categories in the base budget?

CHAIR CANCELA:

Is the \$18,148 included in E-225 in addition to what is included in base budget funding?

MR. NICHOLS:

The \$18,148 in E-225 is for each FY in the 2019-2021 biennium.

CHAIR CANCELA:

We are looking at approving \$37,000 in total for E-225.

ASSEMBLYMAN KRAMER:

How much funding is allotted for out-of-State travel in the base budget of B/A 101-2691? What was the amount of out-of-State travel allotted for last biennium and how much was actually spent? It appears a major increase regarding out-of-State funding is being requested when compared to the 2017-2019 biennium.

MR. NICHOLS:

For the in-State travel contained in E-226, the Governor recommends reserve reductions of \$19,278 in FY 2020 and \$38,132 in FY 2021 for additional in-State travel in support of school, community and child education nutrition programs. The funding in E-226 includes travel for administrative reviews of school programs, SFSPs and CACFPs. Funding will also cover trips for the NDA Food and Nutrition Division (FND) administrator to travel to Las Vegas and travel of 8 staff located in Las Vegas to come to Sparks for the FND all-staff meeting in FY 2020.

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The NDA derived the funding requested in E-226 by estimating the total amount of in-State travel needed for the 2019-2021 biennium then subtracting the amount of funding contained in the base budget. While the purpose of the travel appears reasonable to support the Agency's business functions, Fiscal staff cannot determine whether the \$57,410 amount requested over the 2019-2021 biennium is reasonable when added to the \$58,074 in the base budget.

Do the Subcommittees wish to approve increased in-State travel costs totaling \$57,410 over the 2019-2021 biennium funded with reserve reductions as recommended by the Governor?

CHAIR CANCELA:

We need to know how much base funding existed in B/A 101-2691 during the 2017-2019 biennium and how much of this the NDA actually spent. Decision units E-225 and E-226 in B/A 101-2691 will be held and decided upon at a later date.

MR. NICHOLS:

Regarding training in E-228, the Governor recommends reserve reductions of \$26,865 in each FY of the 2019-2021 biennium for a total of \$53,730 to fund an increase in training expenditures in support of various nutrition programs. The training included in E-228 is shown on pages 47 and 48 of [Exhibit C](#).

The base budget in B/A 101-2691 includes \$8,693 in training expenditures each year, and the funding requested in E-228 reflects the difference. Fiscal staff cannot determine whether the \$53,730 amount requested over the 2019-2021 biennium is reasonable when added to the \$17,386 in the base budget.

Do the Subcommittees wish to approve increased training costs totaling \$53,730 over the 2019-2021 biennium funded through reserve reductions as recommended by the Governor?

CHAIR CANCELA:

Are any of the trainings in E-228 necessary for certifications or grant requirements?



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HOMA ANOOSHEHPOOR (Administrator, Food and Nutrition Division, Nevada Department of Agriculture):

Is your question regarding out-of-State or in-State travel? The trainings in E-228 are not required for licensing or certification but are required for training purposes. The NDA staff needs to attend these trainings to become updated on federal regulations, rules and updates. The USDA requires us to attend these trainings to stay updated on final and interim rulings; the trainings allow the NDA to stay updated regarding systems in other States. The travel is federally funded and can provide information on meal-pattern changes and is required by the USDA for out-of-State travel.

ASSEMBLYMAN KRAMER:

Were these trainings required during the 2017-2019 biennium?

MS. ANOOSHEHPOOR:

I was not here last biennium, but since I have been with the FND all of the USDA emails we have received have asked us to attend the conferences.

ASSEMBLYMAN KRAMER:

If these trainings are required, they would be reflected in the NDA's budget last biennium. Asking you to attend a conference is different than requiring you to attend.

MS. ANOOSHEHPOOR:

The USDA is asking us to attend this year which is different than last year, because the NDA was understaffed last year.

CELESTE ARNOLD (Administrative Services Officer II, Food and Nutrition Division, Nevada Department of Agriculture):

Ms. Anooshehpoor and I started with the NDA in FY 2018. The FND was not fully staffed last year; we could not attend all of the conferences. We have been working with the USDA this year when planning our budget to make sure Nevada's staff has a presence at the conferences which have regulatory updates. Our staff needs to be aware of these updates in terms of feeding programs for children and vulnerable populations.

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ASSEMBLYWOMAN MONROE-MORENO:

Is there any other mechanism you can use other than attending trips to get the information necessary for your job such as newsletters, briefings or webinars?

Ms. ANOOSHEHPoor:

The FND staff does participate in a number of webinars in addition to conferences. The USDA provides monthly webinars for each NDA program.

ASSEMBLYWOMAN MONROE-MORENO:

Are these trips federally funded? Does the State receive federal funding to support your trips to the conferences? Is the money for the trips provided up front or are we reimbursed for them?

Ms. ARNOLD:

About 90 percent of NDA programs are reimbursement programs. We outline the trips and the NDA's fiscal division pulls in the federal funding for us to be able to attend. The trips for CACFP conferences are supported by administrative funds from the CACFP grant. The same can be said for SFSP whose trips are supported by the SFSP grant.

CHAIR CANCELA:

The NDA's base budget regarding training is at \$17,386. The amount requested in E-228 is in addition to the \$53,730. Do we wish to approve an additional \$53,730 in training over the course of the 2019-2021 biennium?

ASSEMBLYWOMAN MONROE-MORENO:

If the trainings are federally funded, I do not see the need to approve an additional \$53,730 on top of the \$17,386.

MR. NICHOLS:

I believe there is some confusion regarding actual cash expenditure versus authority. The funding in E-228 would grant the NDA the authority to spend up to the amounts shown in E-228. Even though the trips are federally funded, the NDA needs to have the authority within their budget to expend funding up to the amounts contained in E-228.

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Ms. OTT:

The request in E-228 is for authority to spend federal funds and is not asking for additional funding.

ASSEMBLYWOMAN JAUREGUI:

Can the federal funding coming in through E-228 be used for other items if the money is not used for travel? Will \$53,730 be taken away from other programs if E-228 is not approved?

Ms. ARNOLD:

We are set up to use these funds for travel, but there are other expenditures within this category that funding could be funneled towards. We could use the federal funding to conduct reviews, but this would require a work program as we have requested the funding to be specifically used in a travel category. We asked for this funding within certain line items for this purpose.

ASSEMBLYMAN KRAMER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE AUTHORITY IN E-228 FOR THE NDA TO SPEND THE \$53,730 OVER THE 2019-2021 BIENNIUM CONTINGENT ON THE FUNDING FOR TRAVEL COMING FROM FEDERAL GRANT FUNDING.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLYWOMAN MONROE-MORENO:

The Subcommittees have often seen that we are not getting the documentation justifying expenditures. Can we add documentation of the trips and details of which conferences were attended to the motion? There is so much money being requested for travel with no justification. We need a report showing why the travel is justified.

ASSEMBLYMAN KRAMER:

Based on Assemblywoman Monroe-Moreno's suggestion, I will amend my motion.

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ASSEMBLYMAN KRAMER MOVED TO AMEND THE MOTION TO INCLUDE REGULAR REPORTS BY NDE TO IFC JUSTIFYING THE TRAININGS ATTENDED.

Ms. JONES:

Will the NDA be required to submit these reports annually or quarterly? Are you approving E-228 and separately asking for the submission of a report on a regular basis to IFC?

ASSEMBLYWOMAN MONROE-MORENO:

I would like the NDA reports to be submitted quarterly to IFC, as there is a history of questions regarding where training and funding is going.

Ms. JONES:

Will these reports be required just for B/A 101-2691 funding or for the entire NDA?

ASSEMBLYWOMAN MONROE-MORENO:

I would like the reports to be submitted regarding the entire NDA.

CHAIR CANCELA:

We will have 2 separate motions regarding the approval of E-228.

SENATOR PARKS CONCURRED WITH THE AMENDMENT TO ASSEMBLYMAN KRAMER'S MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO REQUIRE THE NDA TO SUBMIT QUARTERLY REPORTS TO IFC REGARDING DEPARTMENT WIDE SPENDING ON IN-STATE TRAVEL, OUT-OF-STATE TRAVEL AND TRAINING.

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MR. NICHOLS:

Is Assemblywoman Monroe-Moreno's motion for an LOI directing the entire NDA to issue quarterly reports to IFC regarding department wide spending on in-State travel, out-of-State travel and training?

ASSEMBLYWOMAN MONROE-MORENO:  
Correct.

ASSEMBLYMAN KRAMER:

We are striving to determine how the NDA's budget in FY 2019 compares to the NDA budget from the 2017-2019 biennium. We want to compare the base budget and what was spent during the 2017-2019 biennium and compare it to the NDA base budget with spending during the current biennium. Agencies normally allot \$1,000 or \$2,000 per out-of-State trip and then determine how effective the trip was in meeting its objectives. We are currently not receiving information on how much money the NDA is spending per trip, and this is the information we want. If this information had been presented to us prior to this meeting, we would not be asking these questions. Having the NDA provide quarterly reports to IFC may prevent us from having to ask these questions again.

MR. NICHOLS:

Regarding the information requested by Assemblywoman Monroe-Moreno, would you like the NDA quarterly reports to contain points of comparison for FY 2018 and FY 2019 with budgeted versus actual expenditures and how this compares to what will occur during the 2019-2021 biennium?

ASSEMBLYMAN KRAMER:  
Correct.

MR. NICHOLS:

Will the LOI direct the entire NDA to submit quarterly reports to IFC regarding in-State travel, out-of-State travel and training expenditures including how these costs compare to those budgeted for and actually expended in FY 2018 and FY 2019?

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ASSEMBLYWOMAN MONROE-MORENO:  
Correct.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

The second major issue with B/A 101-2691 is regarding additional uniforms contained in E-249.

E-249 Efficient and Responsive State Government — Page AGRICULTURE-68

The Governor recommends reserve reductions totaling \$751 over the 2019-2021 biennium for new and replacement employee uniforms for the administrator and 2 school and community nutrition supervisors. Uniforms are typically provided to enforcement staff or staff that regularly work with the public.

In response to Fiscal staff questions, the Agency indicated that the administrative staff recommended for uniforms in E-249 have approximately 10 to 12 days of public contact annually. While the dollar amount included may be small, Fiscal staff notes approval of E-249 would commit the State to recurring uniform expenses in future biennia.

Do the Subcommittees wish to approve uniforms for 3 Agency administrative staff funded with reserve reductions totaling \$751 over the 2019-2021 biennium as recommended by the Governor?

ASSEMBLYWOMAN MONROE-MORENO:

What does the uniform consist of? Are these police officer uniforms or are they a polo shirt and khakis?

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Ms. OTT:

The NDA administrative staff uniforms consist of various types of shirts including polo shirts, long-sleeved shirts, Barclay shirts, button-down shirts and ball caps. Our law enforcement staff and our field staff have different items.

ASSEMBLYWOMAN MONROE-MORENO:

The uniforms for law enforcement staff falls under a different decision unit correct?

Ms. OTT:

That is correct.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE UNIFORMS FOR 3 AGENCY ADMINISTRATIVE STAFF IN B/A 101-2691 FUNDED WITH RESERVE REDUCTIONS TOTALING \$751 OVER THE 2019-2021 BIENNIUM AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

There are 4 other closing items in B/A 101-2691 all of which appear reasonable to Fiscal staff. Other closing item 2 deals with E-229 which is the companion decision unit to E-229 within B/A 101-4554. As E-229 was approved in B/A 101-4554, Fiscal staff recommends approval of E-229 in B/A 101-2691.

Fiscal staff recommends approval of other closing items 1, 3 and 4 as recommended by the Governor and other closing item 2 consistent with the Subcommittees' action within B/A 101-4554 and requests authority to make technical adjustments as needed.

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ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEMS 1, 3 AND 4 IN B/A 101-2691 AS RECOMMENDED BY THE GOVERNOR AND OTHER CLOSING ITEM 2 CONSISTENT WITH THE SUBCOMMITTEES' ACTION WITHIN B/A 101-4554 WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

Information regarding B/A 101-1362 begins on page 51 of [Exhibit C](#). The NDA Commodity Food Program (CFP) administers the distribution of food received from the USDA. The CFP provides USDA commodity foods to schools, senior centers, Indian reservations, food banks and other eligible agencies and individuals in Nevada.

AGRI - Commodity Foods Distribution Program — Budget Page AGRICULTURE-72 (Volume I)  
Budget Account 101-1362

There are 2 major closing issues in B/A 101-1362 the first of which deals with increased travel and training. The Governor recommends expenditures of \$52,652 over the 2019-2021 biennium for E-225, E-226 and E-228 in B/A 101-1362 to increase travel and training expenditures.

E-225 Efficient and Responsive State Government — Page AGRICULTURE-75  
E-226 Efficient and Responsive State Government — Page AGRICULTURE-75  
E-228 Efficient and Responsive State Government — Page AGRICULTURE-76

Regarding the out-of-State travel contained in E-225, the Governor recommends Catalog of Federal Domestic Assistance (CFDA) State Administrative Expense



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grant funding of \$3,351 in each year of the 2019-2021 biennium to allow 2 staff to attend an annual USDA Summer Food Conference in San Francisco, California.

The NDA indicates the out-of-State travel requested in E-225 is required by the federal regulations governing the USDA and that the staff recommended to travel to these conferences are either new to the Agency or newly reclassified with additional duties necessitating this travel. In discussion with Fiscal staff, the NDA indicated certain out-of-State travel expenditures remain in the base budget and the Agency confirmed that the funding requested in E-225 represents the total out-of-State funding required for B/A 101-1362. Accordingly, if the Subcommittees wish to approve the out-of-State travel requested by the Agency, they should approve E-225 and direct Fiscal staff to remove the out-of-State costs included in the base budget.

Do the Subcommittees wish to approve out-of-State travel expenditures of \$3,351 in each year of the 2019-2021 biennium funded with CFDA State Administrative Expense grants as recommended by the Governor? If so, do the Subcommittees also support a technical adjustment to remove duplicative funding for out-of-State travel expenditures in the base budget?

ASSEMBLYMAN KRAMER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OUT-OF-STATE TRAVEL EXPENDITURES IN B/A 101-1362 OF \$3,351 IN EACH YEAR OF THE 2019-2021 BIENNIUM FUNDED WITH CFDA STATE ADMINISTRATIVE EXPENSE GRANTS AS RECOMMENDED BY THE GOVERNOR WITH THE AUTHORITY FOR FISCAL STAFF TO MAKE A TECHNICAL ADJUSTMENT TO REMOVE DUPLICATIVE FUNDING FOR OUT-OF-STATE TRAVEL EXPENDITURES IN THE BASE BUDGET.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

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MR. NICHOLS:

Regarding the in-State travel contained in E-226, the Governor recommends CFDA State Administrative Expense grant funding of \$8,991 in FY 2020 and \$6,453 in FY 2021 to fund additional in-State travel. The request in E-226 includes quarterly trips in each year for the deputy administrator in southern Nevada to travel to northern Nevada and certain trips in support of the various NDA commodity food programs.

Similar to the other travel and training decision units requested, while the purpose of the travel in E-226 appears reasonable to Fiscal staff, it is difficult to determine whether the \$15,444 increase requested for the 2019-2021 biennium over the \$2,540 in base is reasonable.

Do the Subcommittees wish to approve increased in-State travel expenditures of \$8,991 in FY 2020 and \$6,453 in FY 2021 funded with CFDA State Administrative Expense grant funding as recommended by the Governor?

CHAIR CANCELA:

The base budget is \$2,540 for in-State travel in E-226. The NDA is requesting an increase of \$15,444 over the 2019-2021 biennium.

ASSEMBLYWOMAN MONROE-MORENO:

I have a hard time understanding the justification of increasing the \$2,540 currently in the base budget to \$15,444 without the documentation of why this request is being made. These added expenses need to be shown and justified like they do regarding the travel requests from other NDA budgets.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO NOT APPROVE INCREASED IN-STATE TRAVEL EXPENDITURES OF \$8,991 IN FY 2020 AND \$6,453 IN FY 2021 IN B/A 101-1362.

CHAIR CANCELA SECONDED THE MOTION.

ASSEMBLYWOMAN JAUREGUI:

I also cannot justify a 500 percent increase without any documentation of why the in-State travel in E-226 is justified. The NDA needs to provide

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documentation showing what the funding was used for, or the trips that were missed out on due to E-226 not being approved for the 2019-2021 biennium. I need to see a tangible list of missed opportunities.

ASSEMBLYMAN KRAMER:

We are not seeing an increase in staff regarding E-226. We have not been shown a backlog of projects needing to be resolved nor have we been told this travel is required by the USDA for certification purposes or to resolve problems. We need more justification from the NDA to approve this in-State travel.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

Another issue regarding B/A 101-1362 is with the travel and training contained in E-228. The Governor recommends \$15,253 in each year of the 2019-2021 biennium funded with reserve reductions and CFDA State Administrative Expense grant funds for Agency staff to attend various program conferences. The NDA indicates that due to ongoing changes and updates to federal regulations related to the commodity foods programs, attendance by staff at conferences and in-house staff development is required to maintain federal compliance.

The travel and training included in E-228 is described on page 53 of [Exhibit C](#). Do the Subcommittees wish to approve training expenditures totaling \$15,523 in each year of the 2019-2021 biennium funded with reserve reductions and CFDA State Administrative Expense grants as recommended by the Governor?

Regarding E-225 in B/A 101-1362, a motion was made to direct Fiscal staff to remove duplicative costs that may be included in the base budget. The total costs are \$10,037 and would apply to E-228 as well. There is \$10,037 included for out-of-State travel and training in the base budget and Fiscal staff has been directed to remove this duplicative funding if E-225 and E-228 are

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approved. The travel and training expenditures included within E-225 and E-228 represent the total amount of funding the NDA indicates is necessary.

ASSEMBLYWOMAN JAUREGUI:

Was the \$10,037 for each year of the 2019-2021 biennium or a total for both years in the base budget?

MR. NICHOLS:

The \$10,037 is included for FY 2018, and as such the \$10,037 would be included in each FY of the base budget for the 2019-2021 budget.

ASSEMBLYWOMAN JAUREGUI:

This means the NDA is only asking for a \$5,000 increase each year because the \$10,000 would be removed.

MR. NICHOLS:

Correct.

ASSEMBLYMAN KRAMER:

I would like to approve E-228 so long as IFC has the authority to move this funding to other NDA travel accounts if necessary.

Ms. JONES:

On its own, the IFC cannot move funding around in accounts as an agency would be required to come in and make this request through a work program. An agency could make these requests within the same account but not in regards to moving funding into a separate account.

ASSEMBLYMAN KRAMER:

The Subcommittees have been tight on approving travel and training for the NDA, and E-228 does not request that much money considering the NDA is planning on taking 5 annual trips with the funding. If IFC were to receive a request to move this funding around in the same B/A regarding in-State travel, out-of-State travel and training, it may accommodate a problem with a shortfall or justification.

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ASSEMBLYMAN KRAMER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE TRAINING EXPENDITURES IN E-228 TOTALING \$15,523 IN EACH YEAR OF THE 2019-2021 BIENNIUM FUNDED WITH RESERVE REDUCTIONS AND CFDA STATE ADMINISTRATIVE EXPENSE GRANTS AS RECOMMENDED BY THE GOVERNOR.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. NICHOLS:

The second major issue with B/A 101-1362 is in regards to uniforms contained in E-249.

E-249 Efficient and Responsive State Government — Page AGRICULTURE-77

The Governor recommends \$4,642 over the 2019-2021 biennium funded primarily with reserve reductions for uniform packages for Agency staff including 1 administrative staff, 2 warehouse supervisors and 6 warehouse drivers. The uniforms in E-249 are typically used for enforcement staff or staff with frequent public contact. The NDA indicated that the warehouse drivers have approximately 100 days per year of public contact and that supervisory and administrative staff interact with the public less frequently. While the dollar amount included may be small, Fiscal staff notes approval of E-249 would commit the State to recurring uniform expenses in future biennia.

Do the Subcommittees wish to approve \$4,642 in uniform expenditures over the 2019-2021 biennium for 9 Agency staff as recommended by the Governor?

ASSEMBLYWOMAN MONROE-MORENO:

What are the actual uniforms the staff within B/A 101-1362 would be wearing? Can the NDA justify why the uniforms would be needed? If the Legislature

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approves E-249, we are committed to adding this funding to the NDA's base budget in future biennia.

MS. ARNOLD:

The uniforms in question for warehouse drivers include polo shirts and button-down shirts. The drivers go out on a weekly basis to deliver commodity products to schools and daycares where they interact with the public. The administrative staff go out and meet with various entities and visit sites providing commodity programs.

ASSEMBLYWOMAN JAUREGUI:

It was mentioned E-249 would commit the State to incurring uniform expenses in future biennia. Why is this the case?

MR. NICHOLS:

If uniforms are approved and funded through E-249, they would be included in the NDA's base budget in future biennia. Uniforms are typically a schedule-driven expense, and as such once a related decision unit is established they will follow a replacement schedule.

MS. JONES:

Nothing precludes a future Legislature from reducing or removing uniforms contained within an agency's base budget. The funding is less visible when contained in a base budget, but it can still be removed by a future Legislature.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES  
TO APPROVE \$4,642 IN UNIFORM EXPENDITURES OVER THE  
2019-2021 BIENNIUM FOR 9 AGENCY STAFF AS RECOMMENDED BY  
THE GOVERNOR.

SENATOR PARKS:

My reasoning in approving E-249 is because the NDA distribution personnel do make various public deliveries that sometimes requires a dress code.

ASSEMBLYWOMAN MONROE-MORENO:

Can we amend Senator Park's motion to approve uniforms for delivery staff but not for administrative personnel?

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SENATOR PARKS:

I want these uniforms more for NDA delivery staff than I do for warehouse or administrative staff.

MR. NICHOLS:

Within E-249, there are 8 uniforms included for warehouse workers and drivers and 1 uniform included for administrative staff. With the technical adjustment, Fiscal staff can reduce expenditures within E-249 by \$250 over the 2019-2021 biennium. This would allow for eight uniforms for the warehouse supervisor and driver staff.

ASSEMBLYWOMAN MONROE-MORENO:

Do the NDA supervisors have interaction with the public, or will the drivers be the only staff with public contact?

SENATOR PARKS:

I believe the supervisors have public contact on a site-by-site basis.

Ms. ANOOSHEHPOOR:

Occasionally, the administrator will accompany drivers to observe what is going on and to measure performance resulting in some public contact.

CHAIR CANCELA:

Senator Parks' motion still stands.

ASSEMBLYMAN KRAMER SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

There are 3 other closing items in B/A 101-1362 all of which appear reasonable to Fiscal staff. Fiscal staff recommends approval of all other closing items as

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recommended by the Governor and requests authority to make technical adjustments as necessary.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE ALL OTHER CLOSING ITEMS IN B/A 101-1362 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

Information regarding B/A 233-4470 begins on page 55 of [Exhibit C](#). The NDA Nevada Dairy Commission is responsible for licensing, regulating product distributors, enforcing price stabilization and marketing plans for various dairy products. The Commission also inspects, licenses and regulates all segments involved in the production and sale of dairy products to Nevada consumers.

AGRI - Dairy Fund — Budget Page AGRICULTURE-81 (Volume I)  
Budget Account 233-4470

There is 1 major closing issue with B/A 233-4470 regarding increased travel and training. The Governor recommends \$62,559 over the 2019-2021 biennium for E-225, E-226 and E-228 to increase travel and training.

E-225 Efficient and Responsive State Government — Page AGRICULTURE-83  
E-226 Efficient and Responsive State Government — Page AGRICULTURE-84  
E-228 Efficient and Responsive State Government — Page AGRICULTURE-84

Regarding the out-of-State travel contained in E-225, the Governor recommends reserve reductions of \$1,658 in FY 2020 and \$1,181 in FY 2021 for the NDA's environmental health specialist to travel to one out-of-State dairy



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distributor in each year of the 2019-2021 biennium to inspect products that are sold in Nevada.

When asked if these inspections had been performed historically, the NDA indicated that in 2014 the Agency changed the inspection system to be performed mostly as desk audits, and that there were certain years where no out-of-State audits were needed. This was the case in FY 2018 which resulted in these expenditures being removed as part of the adjusted-base process. The Agency indicated if E-225 were approved, it would provide sufficient travel authority to provide for one week-long trip to audit an out-of-State dairy distributor in each year of the 2019-2021 biennium.

Do the Subcommittees wish to approve reserve reductions of \$1,658 in FY 2020 and \$1,181 in FY 2021 to fund out-of-State travel expenditures for inspections and audits of out-of-State dairy distributors as recommended by the Governor?

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE RESERVE REDUCTIONS OF \$1,658 IN FY 2020 AND \$1,181 IN FY 2021 TO FUND OUT-OF-STATE TRAVEL EXPENDITURES IN B/A 233-4470 FOR INSPECTIONS AND AUDITS OF OUT-OF-STATE DAIRY DISTRIBUTORS AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

Regarding the in-State travel contained in E-226, the Governor recommends reserve reductions of \$7,146 in FY 2020 and \$7,290 in FY 2021 to fund increased in-State travel for the NDA's food safety inspectors and microbiologists to conduct FDA product ratings, safety inspections, lab

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certifications and sample collections. The in-State travel funded by E-226 is described on pages 56 and 57 of [Exhibit C](#).

Specific workload statistics quantifying the basis for the amount requested were not provided by the NDA, and Fiscal staff cannot determine if the additional \$14,436 requested in E-226 is reasonable.

Do the Subcommittees wish to approve reserve reductions totaling \$14,436 over the 2019-2021 biennium to fund increased in-State travel expenditures for the Agency as recommended by the Governor?

The base budget for in-State travel in B/A 233-4470 is \$10,261 in each year of the 2019-2021 biennium for approximately \$20,500 in total.

CHAIR CANCELA:

The Subcommittees are frustrated to see a request for significant increases in funding without clear determination, despite staff completing work to determine justification. Over the 2019-2021 biennium, the base budget within B/A 233-4470 is at \$20,832, and the NDA is now requesting an additional \$14,500 without a clear justification. We are trying to be considerate regarding the reason the NDA is making these requests, but it is not clear to us what the true reasoning for these requests are. When looking at the overall budget and the overall increase in travel across the board, it becomes difficult to know what a legitimate increase is versus what may not be necessary.

MR. NICHOLS:

The base amount for in-State travel is \$1,270 in each year of the 2019-2021 biennium for a total of about \$2,500.

CHAIR CANCELA:

So the base budget is not \$20,832?

MR. NICHOLS:

Correct. The base budget of B/A 233-4470 is not \$20,832 over the 2019-2021 biennium. If E-226 is approved it would bring the total amount of in-State travel authority to \$17,984 over the 2019-2021 biennium.

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ASSEMBLYMAN KRAMER:

There has been no staff increase or backlog of issues to be addressed regarding why the additional trips in E-226 would be necessary. The budget during the 2017-2019 biennium was described, but the amount of funding spent by the NDA during that time was not provided. I do not see the justification for approving any kind of increase especially the increase contained in E-226.

ASSEMBLYWOMAN JAUREGUI:

If the NDA could provide justification through a document describing what opportunities were missed in the past or those that will be missed in the future, I would be more comfortable approving these types of requests. The document should describe what activities could not be achieved as a result of not going on these trips.

ASSEMBLYWOMAN JAUREGUI MOVED TO RECOMMEND TO THE FULL COMMITTEES TO NOT APPROVE RESERVE REDUCTIONS FROM B/A 233-4470 TOTALING \$14,436 OVER THE 2019-2021 BIENNIUM TO FUND INCREASED IN-STATE TRAVEL EXPENDITURES FOR THE AGENCY AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

Regarding the training contained in E-228, the Governor recommends reserve reductions of \$27,983 in FY 2020 and \$17,311 in FY 2021 to fund travel and registration fees associated with sending the Agency's operations manager, biologist and environmental health specialist positions to attend various conferences, trainings and seminars. The total training expenditures included in E-228 are shown on pages 57 and 58 of [Exhibit C](#).

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In response to staff questions, the Agency indicated an increase in the number of small dairy processors in the State as well as additional meat and poultry inspections in rural areas has increased the workload necessitating additional staff members certified through the USDA Grade "A" Dairy Program. The Agency indicated it employs four staff who are required to maintain certification as environmental health specialists.

The Agency was unable to provide actual amounts regarding how much the new training would cost independent from the base budget training expenditures of \$17,951 over the 2019-2021 biennium and did not provide workload statistics that quantified the basis for the new training expenditures requested.

Do the Subcommittees wish to approve reserve reductions totaling \$45,294 over the 2019-2021 biennium to fund increased training expenditures for the Agency as recommended by the Governor?

ASSEMBLYMAN KRAMER:

What was the base budget for B/A 233-4470 during the 2017-2019 biennium?

MR. NICHOLS:

Base budget training expenditures totaled \$17,951 over last biennium.

ASSEMBLYMAN KRAMER:

How many more dairy processors are there in Nevada now when compared to last biennium?

MR. NICHOLS:

The NDA did not provide specific quantification of the workload increase, so I do not have this answer.

ASSEMBLYMAN KRAMER:

If we knew the percent increase of dairy processors in Nevada, then approving travel based on this same percentage might be appropriate. I have a tough time doubling or tripling these amounts.

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CHAIR CANCELA:

I concur. Some of the trainings in E-228 are tied to different certifications such as the National Environmental Health Association conference which is tied to *Nevada Administrative Code* 625A.020 establishing continuing education requirements for environmental health specialists. The microbiologist not being able to attend the FDA Lab Evaluation Officer Training could result in an inability to audit and accredit milk labs in Nevada. Are these trainings included in the base budget?

MR. NICHOLS:

In line with other travel and training decision units, the trips to be funded through E-228 include those that are included in the base budget and in the enhancement. It is difficult to determine which trips are specifically included within E-228. Through speaking with the Agency, I understand in the previous biennium there was only one staff member certified through the Grade "A" Dairy Program. There are now four staff members required to maintain this certification which may be driving the increase in the request for funding. Specific details were not provided.

CHAIR CANCELA:

There is an increase in staff to four people with some of the trainings in E-228 being tied to different accreditations and certifications. I am uncomfortable approving the entire \$45,294 over the 2019-2021 biennium, but I would be comfortable approving half of this amount.

ASSEMBLYWOMAN JAUREGUI:

If E-228 is similar to E-227, would the approval of \$45,294 be in addition to what is already included in the base budget or would the base budget funding no longer exist?

MR. NICHOLS:

The \$45,294 contained in E-228 would be in addition to the base budget. Approving E-228 at 50 percent would result in the approval of \$22,647 over the 2019-2021 biennium.

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SENATOR GOICOECHEA:

It is extremely difficult to approve B/A 233-4470 and the enhancements contained within it. All of the travel and training we are focusing on does not constitute true expenditures. We have already approved and not approved enough NDA budgets.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE RESERVE REDUCTIONS TOTALING \$22,647 FROM B/A 233-4470 OVER THE 2019-2021 BIENNIUM TO FUND INCREASED TRAINING EXPENDITURES FOR THE AGENCY AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MR. NICHOLS:

There are two other closing items within B/A 233-4470 both of which appear reasonable to Fiscal staff. Fiscal staff recommends approval of other closing items as recommended by the Governor and requests authority to make technical adjustments to B/A 233-4470 as necessary.

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEMS IN B/A 233-4470 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS TO AS NECESSARY.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

SENATOR GOICOECHEA:

I still have concerns regarding B/A 101-4546. Will we be telling the NDA to go to IFC regarding concerns because with the action the Subcommittees took the NDA will be unable to access new vehicles? We also did not approve General Fund appropriations for B/A 101-4546. We have kept reserve funding within B/A 101-4546 solvent, as the NDA cannot pay for vehicles or payroll through the enhancement decision units. We need to pay for vehicles or payroll and approve at least one of these things for funding.

MR. NICHOLS:

Regarding B/A 101-4546, the Subcommittees decision was to approve the base budget but not to approve the equipment or vehicle replacement contained within decision units resulting in expenditure reductions totaling \$143,703 over the 2019-2021 biennium with corresponding increases to reserve funding. Based on projections provided by the NDA, these actions would result in B/A 101-4546 becoming insolvent sometime in FY 2023.

In addition, the Subcommittees recommended issuing an LOI directing the NDA to develop a long-term plan to align the revenues and expenditures within B/A 101-4546 and to provide a report regarding these efforts to the IFC in June 2020. The NDA was also instructed to budget in such a way that brand rerecording fees should be expended on an annual basis prorated 25 percent annually, to the extent doing so is practicable. The motion also stipulated that if the enhancements for vehicle and equipment replacement were not approved, the NDA would have the ability to approach IFC and demonstrate that it has aligned its revenues and expenditures such that it could fund the expenditures within the enhancement units contained in B/A 101-4546.

Additionally, the NDA indicated that in FY 2020 they will begin conducting an analysis to determine potential fee changes for B/A 101-4546 in an effort to address its solvency.

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SENATOR GOICOECHEA:

The NDA has no vehicles to drive and cannot wait until FY 2020 to gain additional funding. We are talking about sworn officers who need to patrol roads.

SENATOR KRAMER:

Is Senator Goicoechea proposing a reconsideration of the Subcommittees motions regarding B/A 101-4546? I know you want B/A 101-4546 to receive more General Fund appropriations; I am not sure that Subcommittee meetings are a place to address these concerns. I am not sure what we can do in this regard. What are you suggesting be done?

MR. HAARTZ:

These Subcommittees' actions are merely recommendations which are brought to full committees for review and approval. As part of the closing process, Fiscal staff will be addressing the Subcommittees' recommendations with the full committees who have the authority to make adjustments.

SENATOR GOICOECHEA:

The Subcommittees completely missed the mark regarding B/A 101-4546. We need to take better care of our sworn officers.

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CHAIR CANCELA:

Seeing no further questions, this meeting is adjourned at 11:20 a.m.

RESPECTFULLY SUBMITTED:

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Tom Weber,  
Committee Secretary

APPROVED BY:

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Senator Yvanna D. Cancela, Chair

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

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Assemblywoman Daniele Monroe-Moreno, Vice Chair

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

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EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	1		Agenda
	B	2		Attendance Roster
	C	59	Legislative Counsel Bureau Fiscal Analysis Division	Closing Packet
	D	9	Nevada Department of Agriculture	Budget Amendment