MINUTES OF THE SENATE COMMITTEE ON NATURAL RESOURCES

Eightieth Session March 12, 2019

The Senate Committee on Natural Resources was called to order by Chair Melanie Scheible at 4:00 p.m. on Tuesday, March 12, 2019, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Melanie Scheible, Chair Senator Chris Brooks, Vice Chair Senator Dallas Harris Senator Pete Goicoechea Senator Ira Hansen

GUEST LEGISLATORS PRESENT:

Senator Julia Ratti, Senatorial District No. 13

STAFF MEMBERS PRESENT:

Alysa Keller, Policy Analyst Steve Woodbury, Committee Secretary

OTHERS PRESENT:

Kyle Davis, Nevada Conservation League
Tony Wasley, Director, Department of Wildlife
Laura Richards, Sierra Club, Toiyabe Chapter
lan Bigley, Mining Justice Organizer, Progressive Leadership Alliance of Nevada
Willie Molini, President, Nevada Waterfowl Association; Board Member,
Coalition for Nevada's Wildlife; President, Great Basin Bird Observatory
Karen Boeger, Backcountry Hunters and Anglers, Nevada Chapter
Larry Johnson, Coalition for Nevada's Wildlife
Jonathan Lesperance, Coalition for Nevada's Wildlife

Maria Minnich
Patrick Donnelly, Center for Biological Diversity
Ruby Zandra Waller

CHAIR SCHEIBLE:

I will open the hearing on Senate Joint Resolution (S.J.R.) 4.

<u>SENATE JOINT RESOLUTION 4</u>: Expresses the support of the Nevada Legislature for certain federal legislation relating to the conservation of wildlife in this State. (BDR R-507)

SENATOR JULIA RATTI (Senatorial District No. 13):

We are bringing this measure back from the 2017 Legislative Session, during which we were attempting to urge Congress to take action on the Recovering America's Wildlife Act (RAWA). Neither a strongly worded letter from the Legislative Committee on Public Lands nor a resolution from the Legislature accomplished our objective. Senate Joint Resolution 4 tackles a particular challenge regarding the resources we have available to focus on the conservation of our wildlife assets in Nevada.

The history of how we fund wildlife conservation efforts at the federal and State level is interesting. The Federal Aid in Wildlife Restoration Act of 1937, commonly referred to as the Pittman-Robertson Act (P-R), and the Federal Aid in Sport Fish Restoration Act, commonly referred to as the Dingell-Johnson Act (DJA), have both been adopted by this State and comprise the way we bring in federal conservation dollars. These funds are combined with State matching dollars to fund State wildlife conservation efforts. However, these funds come from game and sport fish activities. The State issues permits and tags for the public to be able to participate in those activities, and the revenue generated constitutes the State match. Because of the source, the available funding is limited primarily to doing conservation for game species.

The Department of Wildlife (NDOW) has done a phenomenal job developing what is known as the Wildlife Action Plan (WAP). That plan considers all species in the State. Through the WAP planning process, NDOW has identified 256 species of wildlife that have a great need for conservation efforts.

To support those 256 species, there are 22 types of habitats in which we need to take proscriptive actions and interventions to make sure these habitats stay

healthy and able to support those 256 species of wildlife. Unfortunately, nongame wildlife species, including a wide range of diverse bird, fish and small mammal species, do not have a dedicated funding source. This bill seeks to encourage Congress to build on work done by the Blue Ribbon Panel on Sustaining America's Diverse Fish and Wildlife Resources (BRP), a national panel. The panel made a recommendation in its 2016 report that revenue from the development of energy and mineral resources on federal lands and water be used as a source of funding, matched by State dollars. The funding will make sure we are doing conservation not just for our game species, but for nongame species as well.

At this point, no State funding is being requested. That would happen at a later date. This measure urges Congress to enact RAWA, which was introduced in 2017.

KYLE DAVIS (Nevada Conservation League):

As mentioned by Senator Ratti, <u>S.J.R. 4</u> was brought forward during the 2017 Legislative Session, supporting the findings of the BRP. Since that time, RAWA was introduced in Congress. The RAWA has bipartisan support. There were versions in both the House and the Senate, but it did not make it to passage by the end of the last Congress, so we are hoping to see it again this Congress.

The concept is fairly simple, creating a dedicated source of funding to fund conservation work for nongame species. The funding source, similar to the Land and Water Conservation Fund, would come from the development of mineral resources on public lands. The funding would be a specific dollar amount, not contingent on actual mineral production. It would be used for wildlife conservation and to carry out Nevada's WAP. There are others here today who are better versed on the WAP than I am, but NDOW developed it to conserve species that may not get adequate attention otherwise. That is why we think it is important to pass RAWA and why we are looking for the support of the State Legislature again this Session.

SENATOR HANSEN:

Since the inception of P-R, I think the total funding that has been made available is a little over \$2 billion, and you are asking for \$1.3 billion. How are you going to keep P-R and DJA monies and all the wildlife consumptive user portions of

these agencies from getting swamped by this new concept, which if this goes through as proposed, would also be underneath NDOW?

Mr. Davis:

I do not have the totals that come from P-R in front of me. My understanding is that there is a lot more that comes from P-R, but I will defer to NDOW on those details.

SENATOR GOICOECHEA:

Looking at the bill, it appears to recommend that Congress dedicate \$1.3 billion from energy and mineral development on federal lands rather than P-R.

SENATOR HANSEN:

I understand that the new funding is not coming from P-R. The total that has been paid from P-R collections since 1937, I think was a little over \$2 billion. By the way, the Pittman referred to in that legislation is Key Pittman, United States Senator from Tonopah, Nevada. If we are going to put \$1.3 billion annually into a similar fund, and it is going to be administered through NDOW, I can see some significant conflicts of interest between the consumptive and non-consumptive users. I can see the consumptive users getting drowned out over time as the funding from the new conservation fund dramatically overwhelms the amount that is paid by sportsmen. If we are going to do this, I would like to see the creation of a separate agency in the Department of Conservation and Natural Resources, rather than funding it through NDOW. This will keep that conflict of interest to a minimum.

Regarding matching funds, how would that requirement be met? The match requirement is three to one under P-R, and the State match primarily comes from sportsmen's dollars. What do you see as the revenue source for the State match for this new conservation fund?

SENATOR RATTI:

Regarding the \$1.3 billion, it is my understanding that comes as a recommendation from the BRP that was established in 2015. The work they did was built from needs identified in state wildlife action plans. These needs, what it would actually take annually to do the conservation, were defined by wildlife biologists and other experts. I think there are roughly 65 unique species that exist only in Nevada, such as the pup fish that only lives in 1 body of water in 1 corner of the State.

It is an interesting point, and one that would need to be discussed, whether or not we should have an entirely separate agency, segregating animals into those we choose to hunt or fish and all other wildlife. It seems to be an artificial segregation in that the habitat we are restoring often supports a wide range of biodiversity.

SENATOR HANSEN:

I have read those reports from 2015 and 2012 and am very familiar with them. I also realize that most habitats are shared by both wildlife that are consumed and those that are not. In fact, most conservation areas in Nevada that exist today were funded through sportsmen's dollars, and they conserve habitats for both game and nongame animals. My question is what is going to be taxed in Nevada to meet the match requirement called for in RAWA?

CHAIR SCHEIBLE:

This is a policy committee, not a money committee, so our responsibility is to review whether or not $\underline{S.J.R.}$ 4 represents a good policy that should be pursued, setting aside the issue of money, which would be addressed by money committees. It is appropriate for us to talk about how costly it will be and where the money will come from, but policy committees do not balance budgets or make prioritizing decisions when it comes to where, how and for what purpose we spend money.

SENATOR RATTI:

<u>Senate Joint Resolution 4</u> is silent on the source of Nevada's match. From a process standpoint, we may be getting ahead of ourselves. We hope Congress will see fit to identify the source of money, design a program and specify our match requirement. The first place would be General Fund. If this source was insufficient, we would need to identify other match sources.

SENATOR HANSEN:

The funding questions we are discussing are appropriate for this Committee. We are talking about a federal fund that is being created; funding is the crux of the bill. It is perfectly legitimate in a policy committee to include a discussion of how a State match would be achieved.

SENATOR RATTI:

This bill is a resolution asking Congress to act. That is what it does.

Mr. Davis:

Once the match requirement is identified, it would be up to the State to determine if and how it could be done. Generally, if only a portion of a match requirement can be met, a portion of available funds can be obtained. There are a variety of potential match sources; the General Fund is one. We are also hoping to reauthorize a conservation bonds program this Session. Some of that money would go to NDOW. There is also an existing license plate program that generates fee revenue for NDOW. These are all potential sources, but that would have to be figured out if the federal funding becomes available.

SENATOR RATTI:

This bill is not intended to be a game wildlife versus nongame wildlife measure. Having served on this Committee in the past, one of my early observations was the artificial tension between general conservationists and game hunters. To Senator Hansen's point, much of the really good conservation work that has been done in the State has been done through the organized volunteer efforts of those passionate about hunting and fishing in the State. This bill does not set up an artificial barrier between these two groups. In fact, it has broad support from the general conservation community, as well as the fish and game community. Part of the reason this artificial tension exists is because most of the funding and much of the volunteer activity comes from the fish and game community. This legislation will help break down some of those artificial, unnecessary divisions.

Conservation is about biology and the habitat necessary to support a broad range of biodiversity. This bill hopes to encourage both the federal and State government to get in the game so we are doing appropriate, scientifically based conservation work in Nevada for all species.

TONY WASLEY (Director, Department of Wildlife):

By way of clarification regarding P-R expenditures, in 2018 the amount the United States Department of the Interior (DOI) made available nationally to states was \$1.3 billion. The total amount made available through P-R since its inception in 1937 is approximately \$77 billion.

Regarding the WAP, I think it is important that we refrain from using the terms "game" and "nongame." The WAP includes sage grouse, bighorn sheep, mule deer, Lahontan cutthroat trout—all species that are recreationally pursued, harvested and consumed.

There are two key provisions in RAWA as it was introduced in Congress last time regarding the match question and from where those funds could come. One was that tag and license fees would not be eligible to be used for match until such time that a state's full P-R allotment was realized. A state would not be allowed to revert P-R funds due to an inadequate match because that match was siphoned off to be used as match for RAWA.

The other piece is a recognition of the challenges that many states would have in coming up with the match. What RAWA would mean for this State is that over \$26 million annually in available federal dollars would require a three-to-one match, or roughly \$8 million or \$9 million. The question is how we would come up with that, given that our current budget is only \$800,000. It would be a significant challenge.

The RAWA bill addresses this challenge and contains a provision to allow federal funds other than DOI funds and Department of Agriculture (USDA) funds to be used as part of the match. All funds from the Department of Energy, Department of Defense, Readiness and Environmental Protection Integration Program or other federal funds associated with any kind of environmental activity, including at the Fallon Naval Air Station and the Nevada Test and Training Range, could be eligible for match. Having the ability to use federal funds that are not DOI or USDA would certainly make that match more feasible.

Spending on the programs Mr. Davis mentioned could possibly be used as matching dollars. Other possibilities include the Nevada Natural Heritage Program and other programs funded with Question 1 Conservation Bond Program dollars. This Program provided \$27.5 million to NDOW for conservation projects. These are nonfederal dollars that could possibly be used for match. There are a myriad of potential match sources.

We heard in previous testimony that there was strong bipartisan support for RAWA. Last Congress, there were 116 co-sponsors, including 51 Republicans and 65 Democrats. Nineteen of those co-sponsors are no longer serving in Congress; however, the majority of them are still serving. The original BRP consisted of an alliance of representatives from the oil and gas industry, automotive industry, outdoor recreation, retailing, manufacturing, private landowners, educational institutions, conservation organizations, sportsmen's groups and state and federal wildlife agencies.

As indicated, Nevada would receive over \$26 million in federal funds. With the match of roughly \$8.7 million, a total of just over \$35 million would become available annually to implement the WAP, compared to just over \$800,000 currently.

There may also be some interest in what could be funded with those additional dollars. This new funding could be used for law enforcement activities associated with the 256 species contained in the WAP and unlimited conservation education. Up to 10 percent could be used for recreation, recreation access and facilities. Funds could also be used to implement other initiatives outlined in the WAP.

These new funds would come through the DOI Office of Natural Resources Revenue (ONRR). Over the last 12 years, extractive industries operating on public lands in Nevada have paid roughly \$220 million into the ONRR account. Those industry partners would certainly benefit from seeing that money return to provide a direct conservation benefit on the landscape in Nevada.

SENATOR HANSEN:

I misread the number I stated earlier. I do not know if it is as high as Mr. Wasley's figure, but it is substantially higher than what I stated.

LAURA RICHARDS (Sierra Club, Toiyabe Chapter):

I am submitting written testimony (<u>Exhibit C</u>) in support of <u>S.J.R. 4</u>. Additionally, before retiring from NDOW, I led a team of biologists from NDOW and conservationist partners in developing the WAP. It is a comprehensive, progressive document that will serve the State well going into the future.

IAN BIGLEY (Mining Justice Organizer, Progressive Leadership Alliance of Nevada):

The Progressive Leadership Alliance of Nevada (PLAN) supports the comments made by Senator Ratti and Mr. Davis and the testimony provided by the Sierra Club. Many costs of mineral extraction are externalized from the industry itself. The impact to wildlife is one of these many externalized costs. The PLAN supports S.J.R. 4 as one step toward the just sharing of mining's true cost.

WILLIE MOLINI (President, Nevada Waterfowl Association; Board Member, Coalition for Nevada's Wildlife; President, Great Basin Bird Observatory): My comments represent the three organizations I am representing today. We are wholeheartedly in support of <u>S.J.R. 4</u>, and we appreciate the Legislative Committee on Public Lands and this Committee for bringing it forward.

I served as Director of NDOW for 16 years, from 1982 to 1998, so I have spent a good deal of my adult life trying to get adequate funding for Nevada's nongame species. In about 1972, we hired our first nongame biologist, and we used some P-R money to do that. The agency has made tremendous strides. I attempted to get General Fund dollars for nongame species at three legislative sessions.

I finally got the attention of this Committee when the desert tortoise was listed as endangered, and many thought the economic engine of Las Vegas was going to come to a grinding halt. We found a way to work around that with habitat conservation plans, and it all worked out very well.

In 1990, I was President of the Association of Fish and Wildlife Agencies, and I set up a committee charged with developing a nongame wildlife funding program. Based on what we had done with P-R, we were going to try to levy an excise tax on all of the various gear that is used in the enjoyment of wildlife, such as binoculars and backpacks, similar to the excise tax currently levied on firearms, ammunition and fishing equipment. We were unable to get traction with the industry on that, but we worked on it for at least ten years. During that time, there was enough support collectively from the conservation community, including sportsmen as well as all of the conservation organizations, that Congress finally came up with an alternative—state wildlife grants, which resulted in the development of the state WAPs you have heard about today.

I strongly support <u>S.J.R. 4</u> and the effort to bring RAWA forward in Congress. I am a member of the National Wildlife Federation, the Rocky Mountain Elk Foundation, the Theodore Roosevelt Conservation Partnership, Trout Unlimited, Backcountry Hunters and Anglers and the Wildlife Society. Although I cannot speak for all of these, I know they all support RAWA.

KAREN BOEGER (Policy Chair, Backcountry Hunters and Anglers, Nevada Chapter): I agree with the testimony that has been presented and support <u>S.J.R. 4</u>. Nationally, the Backcountry Hunters and Anglers (BHA) organization has RAWA

on its list of top ten conservation priorities for this Congress. I am glad to say that, in concert, the Nevada Chapter strongly supports <u>S.J.R. 4</u> because of what it can mean for Nevada wildlife. The NDOW is heavily dependent on sportsmen's money and volunteer efforts. This bill would bring additional needed revenue to implement the WAP. As a sportsmen organization, we firmly believe that whatever can be done to ensure the health and viability of our entire diverse wildlife community is good for hunting and fishing opportunities and hopefully, for our ranching communities as well. When BHA was working on the sage grouse effort it coined a term that still applies: "what's good for the bird is good for the herd".

LARRY JOHNSON (Coalition for Nevada's Wildlife):

I am representing the Coalition for Nevada's Wildlife, but I belong to a number of sportsmen's groups. This bill will greatly benefit wildlife. I do not like to separate game from nongame. I have constructed over 150 big game guzzlers in this State, probably 20 percent of the guzzlers in Nevada. Everything from bugs to bats to birds to big game benefits from year-round water sources in the driest State in the union, and I love them all and love the utilization of these guzzlers by all species.

This is not just a nongame funding bill. Sage grouse, Lahontan cutthroat, pygmy rabbits—all species benefit. Many times following wildfires I have loaded seed hoppers. Range restoration benefits all species, not just animals we hunt for meat and recreation. They are all God's critters. They all belong, and we need to do our best to support them.

I do not think there should be a distinction between conservation organizations and consumptive hunters and fishermen. I have been heavily committed to and involved in the restoration of our wildlife resources in the State. Sportsmen are the ultimate conservationists. We need to recognize this and live on and love this land with those common goals.

JONATHAN LESPERANCE (Coalition for Nevada's Wildlife):

I echo the comments previously made by Mr. Molini and Mr. Johnson and support <u>S.J.R. 4</u>. They set an amicable tone for the start of this Session, where we can come together on items we agree on and rally behind them.

I have spoken with a previous wildlife commissioner who represented the general public, and that commissioner did not think there existed a viable option

for her to contribute funds to wildlife conservation. The thought of purchasing a hunting license or tags was not tenable. It was not until the license plate option became available that she felt there was a direct and efficient way to financially contribute to wildlife conservation.

There is a desire to increase funding. We may not have the mechanism in place now to achieve the potential match, but the good news is, citing the America's Wildlife Values report for the State, the supermajority of people surveyed think that wildlife conservation funding should come from a combination of public taxes and license revenue. The bad news is that same supermajority thinks that is how it is done today. There is a knowledge gap in how conservation is funded that we need to overcome. This bill, and more importantly RAWA itself, is a great avenue to accomplish that.

MARIA MINNICH:

I am a desert tortoise biologist, and I am impressed with the support for conservation. It gives me hope. I support S.J.R. 4.

PATRICK DONNELLY (Center for Biological Diversity):

Although we do not oppose this bill, it represents fossil fuel blood money. The fossil fuel industry is destroying our climate at a record breaking pace. The Trump Administration is increasing drilling onshore and offshore, hurtling us toward a climate catastrophe. Nevada is taking bold action to address climate change, but in the meantime, we should be hesitant to create a situation where our wildlife agencies become reliant on fossil fuel dollars. Mitigation is often billed as, "this is going to happen anyway, so we should be able to collect mitigation moneys to offset those impacts." In some ways, mitigation creates a momentum of its own, where industry can then build on those mitigation dollars as a social license to continue doing what they do. There is not a bigger supporter of the State's WAP than the Center for Biological Diversity (CBD), but we want this to be embarked upon with eyes wide open. This is mitigation money for very destructive actions.

SENATOR HANSEN:

Where would the \$1.3 billion come from if you could identify another funding source?

Mr. Donnelly:

The NDOW receives a very small General Fund allotment, only a few hundred thousand dollars for an agency managing a huge amount of wildlife on a large swath of land. Perhaps it would be prudent to increase their General Fund allotment.

SENATOR HANSEN:

You mentioned blood money. The NDOW is literally funded from blood money, sportsmen's dollars.

Mr. Donelly:

The CBD does not oppose hunting or fishing in any way, and we agree with some of what we have heard today that sportsmen are great conservationists. The impact of the fossil fuel industry hurts everybody.

SENATOR HANSEN:

Regarding the \$2 billion figure mentioned earlier, the United States Fish and Wildlife Service website says that as of January 2010, over \$2 billion in federal aid has been generated through P-R programs. There has probably been another \$1 billion in the last decade, so there is a discrepancy between the \$77 billion figure mentioned and the approximate \$3 billion figure. We will need to work with NDOW to reconcile those numbers.

RUBY ZANDRA WALLER:

When the question was asked about funding and using blood money, it reminded me of climate change. When we move away from fossil fuels, the money we are sending to Saudi Arabia to protect our interests can come back and fund conservation. We would have so much more money and clean energy.

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CHAIR SCHEIBLE: Seeing no further testimony or public comment, I S.J.R. 4 and adjourn the meeting at 4:47 p.m.	will close the hearing on
RESI	PECTFULLY SUBMITTED:
	re Woodbury, amittee Secretary
APPROVED BY:	

Senator Melanie Scheible, Chair

DATE:_____

EXHIBIT SUMMARY					
Bill	Exhibit / # of pages		Witness / Entity	Description	
	Α	1		Agenda	
	В	5		Attendance Roster	
S.J.R. 4	С	1	Laura Richards / Sierra Club	Written Testimony	