

**MINUTES OF THE
SENATE COMMITTEE ON NATURAL RESOURCES**

**Eighty-first Session
May 4, 2021**

The Senate Committee on Natural Resources was called to order by Chair Fabian Donate at 3:33 p.m. on Tuesday, May 4, 2021, Online and in Room 2144 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Fabian Donate, Chair
Senator Melanie Scheible, Vice Chair
Senator Chris Brooks
Senator Pete Goicoechea
Senator Ira Hansen

GUEST LEGISLATORS PRESENT:

Assemblywoman Susie Martinez, Assembly District No. 12
Assemblywoman Sarah Peters, Assembly District No. 24

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Policy Analyst
Allan Amburn, Counsel
Christine Miner, Committee Secretary

OTHERS PRESENT:

Jennifer Conrad, DVM, Founder, Director, The Paw Project
Jeff Dixon, Nevada State Director, The Humane Society of the United States
William Horne, The Paw Project
Jill Dobbs, Executive Director, SPCA of Northern Nevada
Francesca Fulciniti, Executive Director, Heaven Can Wait Animal Society
Alex Noriega
Barbara Hodges, DVM, Director of Advocacy and Outreach, The Humane Society Veterinary Medical Association
Rebecca Goff, Nevada Humane Society

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Jennifer Carr, P.E., Deputy Administrator, Administrative Services and Water Programs, Division of Environmental Protection, State Department of Conservation and Natural Resources

Paul Selberg

David Cherry, City of Henderson

Randy Robison, Vegas Chamber

Jake Tibbitts, Natural Resources Manager, Eureka County

Justin Harrison, Principal Management Analyst, Department of Administrative Services, Clark County

Calli Wilsey, Senior Management Analyst, City of Reno

Neena Laxalt, Nevada Cattlemen's Association; Central Nevada Regional Water Authority; Humboldt River Basin Water Authority

Doug Busselman, Executive Vice President, Nevada Farm Bureau

Dave Dazlich, Vegas Chamber

Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada

Christi Cabrera, Nevada Conservation League

Chelsey Hand, Outreach and Program Coordinator, Great Basin Resource Watch

Tyre Gray, President, Nevada Mining Association

Greg Lovato, Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources

CHAIR DONATE:

The meeting is now open, and I am requesting Committee introduction of Bill Draft Request (BDR) 51-1100.

BILL DRAFT REQUEST 51-1100: Revises provisions related to agriculture. (Later introduced as Senate Bill 438).

SENATOR BROOKS MOVED TO INTRODUCE BDR 51-1100.

SENATOR SCHEIBLE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR DONATE:

We will begin the work session on Assembly Bill (A.B.) 31.

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ASSEMBLY BILL 31 (1st Reprint): Revises provisions governing the Nevada Petroleum Products Inspection Act. (BDR 51-276)

JENNIFER RUEDY (Policy Analyst):

I will read the summary of the bill from the work session document ([Exhibit B](#)).

CHAIR DONATE:

I will entertain a motion to do pass A.B. 31.

SENATOR BROOKS MOVED TO DO PASS A.B. 31.

SENATOR HANSEN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR DONATE:

We will move to the work session on A.B. 34.

ASSEMBLY BILL 34 (1st Reprint): Revises provisions governing the control of pests, noxious weeds and pesticides. (BDR 49-272)

Ms. RUEDY:

I will read the summary of the bill from the work session document ([Exhibit C](#)).

CHAIR DONATE:

I will entertain a motion to do pass A.B. 34.

SENATOR SCHEIBLE MOVED TO DO PASS A.B. 34.

SENATOR BROOKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR DONATE:

We will move to the work session on A.B. 74.

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ASSEMBLY BILL 74: Revises provisions relating to pesticides. (BDR 51-265)

Ms. RUEDY:

I will read the summary of the bill from the work session document ([Exhibit D](#)).

CHAIR DONATE:

I will entertain a motion to do pass A.B. 74.

SENATOR BROOKS MOVED TO DO PASS A.B. 74.

SENATOR SCHEIBLE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR DONATE:

We will move to the work session on A.B. 75.

ASSEMBLY BILL 75 (1st Reprint): Revises provisions relating to weights and measures. (BDR 51-273)

Ms. RUEDY:

I will read the summary of the bill from the work session document ([Exhibit E](#)).

CHAIR DONATE:

I will entertain a motion to do pass A.B. 75.

SENATOR SCHEIBLE MOVED TO DO PASS A.B. 75.

SENATOR BROOKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR DONATE:

We will open the hearing on A.B. 209.

ASSEMBLY BILL 209 (1st Reprint): Prohibits the removal or disabling of the claws of a cat under certain circumstances. (BDR 50-211)

ASSEMBLYWOMAN SUSIE MARTINEZ (Assembly District No. 12):

I will present A.B. 209 with a visual presentation ([Exhibit F](#)). The purpose of A.B. 209 is to prohibit the declawing of cats except for necessary medical reasons.

Page 2 of [Exhibit F](#) explains declawing. The misconception of declawing is it involves a simple surgery where the nails of a cat are removed, the equivalent to having fingernails clipped. In reality, surgical amputation of a cat's paws to remove the claws involves severing the tendons to the limbs, paws or toes to modify them in such a way the claws cannot be extended. It is toe amputation. It is equivalent to cutting off a finger at the first knuckle on a human hand. It causes excruciating pain affecting a cat's physical, emotional and psychological wellbeing for its lifetime.

The photos and diagram on page 3 of [Exhibit F](#) are visuals of cat declawing. The picture on the left depicts a human hand with a knife at the knuckle. Declawing elicits extreme pain and makes it difficult for cats to walk, stretch, sit or defend themselves.

Assembly Bill 209 proposes to prohibit the declawing of cats for cosmetic, aesthetic or convenience reasons. The bill provides an exception if a licensed veterinarian determines the procedure is necessary to address a medical condition of a cat, such as an existing or recurring illness, infection, disease, injury or abnormal condition.

Page 5 of [Exhibit F](#) lists the civil penalties to be imposed on a person who performs or causes the performance of declawing a cat for cosmetic, aesthetic or convenience reasons. The first violation requires a penalty of no more than \$1,000. For a second violation, the penalty will be no more than \$1,500, and for a third violation or subsequent violations, the penalty will be no more than \$2,500.

Opponents of A.B. 209 will argue that declawing a cat for cosmetic, aesthetic or convenience reasons is necessary to protect human health especially for immune-compromised individuals. There is no credible evidence backing that statement. Page 6 of [Exhibit F](#) lists organizations advising against declawing of

cats to protect human health. The Centers for Disease Control and Prevention, the National Institutes of Health and the American Association of Feline Practitioners are among those listed.

Declawing a cat causes considerable negative effects. A cat's personality can change and it can have difficulty using the cat box. Often, the owner will no longer want the pet and, ultimately, the pet lands in an animal shelter.

JENNIFER CONRAD, DVM (Founder, Director, The Paw Project):

Declawing is a misnomer. Declawing is cutting off the last bone from a cat's toes. It is similar to cutting off one's fingertips with a cigar cutter. Where declawing has been banned, fewer cats land in shelters. Two well-known cat behaviors resulting from declawing are biting and not using the cat box. The cat does not use the box because it hurts to dig. The cat is robbed of its primary defense mechanism and resorts to biting.

Most of the world does not allow declawing of cats. Advances in medicine using a laser for declawing or better pain medication are not good reasons to declaw. It is still an unnecessary amputation. Veterinarians study to protect cats, not couches.

JEFF DIXON (Nevada State Director, The Humane Society of the United States):

Given the choice, cats would keep their bodies intact. The Humane Society of the United States urges the enactment of A.B. 209. Nevada would be the second U.S. state joining 7 Canadian provinces and 20 countries including Ireland, Israel, Brazil, Belgium, Australia, Austria prohibiting the nontherapeutic procedure known as declaw.

The medical aftereffects of declawing include pain, infection, tissue necrosis, crippling and back pain. Claw removal changes the way a cat's foot meets the ground. It is similar to wearing ill-fitting shoes. There can be a regrowth of improperly removed claws, nerve damage and bone spurs. One in five cats have long-term complications from declaw surgery, while 50 percent have immediate postsurgical complications. One-third of declawed cats have some behavior problems.

The legality of nontherapeutic declaw sends the wrong message to pet owners that it is an acceptable practice. It puts veterinarians in the position of keeping customers or declining procedures. Veterinarians who care for companion

animals have a difficult and emotional job. This is a law that would spare them the dilemma. Prohibiting the practice sends a message that humane solutions are the ways to address natural behaviors. Hosts of humane solutions available include nail trimming, nail caps and designated scratching surfaces. Scratching is a symptom of frustration. Rather than using funds for surgery, an owner could use the funds to hire a behavioral specialist.

The continued legality of nontherapeutic declaw undermines lifesaving work represented by thousands of volunteer work hours and massive sums of public and donor funds by the animal welfare community.

Cats suffer from declaw procedures psychologically and physically. Declawing leads to behavior adaptations less tolerable to humans than the initial reasons owners intended to mitigate or prevent.

Once a declawed cat lands in an animal shelter, it is tough to find them homes. Claws are part of a cat's essence, and the discomfort, distress and defensiveness cannot be addressed with training.

Animal welfare organizations signing a coalition letter in support of A.B. 209 include Catmando of Carson City, Heaven Can Wait Animal Society in Las Vegas, Homeward Bound Cat Adoptions, Humane Network, PALnv and Rescued Treasures Cat Cafe, SPCA of Northern Nevada and The Animal Foundation-Las Vegas.

With the passage of A.B. 209, people on blood thinners, immune-compromised people and veterinarians will be fine. The animal welfare community will benefit as one driver of surrenders and euthanasia will be discontinued, and animals will be spared the prospect of undergoing this life-altering and unnecessary procedure.

CHAIR DONATE:

I am having difficulty finding some of the health organizations mentioned that have advised against declawing of cats. Would you send the documents to the Committee for its review?

MR. DIXON:

Yes, I will be happy to.

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SENATOR BROOKS:

What states have made this medical procedure on a cat illegal?

MR. DIXON:

New York State just passed a law. Nevada could be the second state.

SENATOR BROOKS:

Out of 50 states, only one state has make this procedure illegal?

MR. DIXON:

That is correct.

SENATOR HANSEN:

We use the terms neutered and spaying to remove the reproductive organs of animals. You mentioned maintaining natural behaviors and a cat's essence, yet your organization aggressively changes the natural behaviors of reproduction in animals. It seems inconsistent. How do you reconcile this fact?

MR. DIXON:

Sterilizing pet animals is for the animal's benefit. Unchecked reproduction contributes to animal homelessness. This leads to strays in danger from vehicles, starving and subject to predation.

SENATOR HANSEN:

I am in favor of stopping unnecessary procedures.

SENATOR SCHEIBLE:

Section 1, subsection 1 states "A person shall not remove or disable the claws of a cat" Would this apply to only veterinarians who perform this procedure or also the pet owner who directs or asks for the procedure?

ALLAN AMBURN (Counsel):

Based on the plain meaning of statute, a person could include an owner of the cat or a licensed veterinarian. The statement "shall not remove or disable the claws of the cat" might narrow it to a licensed veterinarian; it is unclear as written.

SENATOR SCHEIBLE:

There are associated civil penalties to this act. Is the intention for this to also be used in criminal cases, or is it up to the discretion of police officers and prosecutors to determine whether or not engaging in this illegal activity is also cruel or neglectful?

WILLIAM HORNE (The Paw Project):

Assembly Bill 209 is drafted to address civil penalties, not criminal. It could affect a veterinarian's license. The fines are intended to call attention to certain veterinarians who will continue to perform the procedure outside the beneficial parameters of the feline. Increasing the fine amounts with each incident is intended to avoid a veterinarian making a cost-benefit analysis in doing the procedure, charging for it, then, paying the fine. It is not the intent of A.B. 209 to criminally prosecute veterinarians.

SENATOR SCHEIBLE:

The definition of torture and cruelty in the bill is "omission or neglect, whereby unjustifiable physical pain, suffering or death is caused or permitted." It indicates declawing a cat causes pain, and by law, that pain is no longer legally justifiable, and it would be torture or cruelty. Is there a safeguard in the bill to prevent the prosecution of veterinarians engaging in this practice under the criminal statute?

MR. AMBURN:

The language in section 1, subsection 2 of A.B. 209 sets forth the civil penalties and fine amounts for this act. Subsection 3 refers to a licensed veterinarian who violates the provisions in section 1, subsection 1, and is subject to disciplinary actions pursuant to *Nevada Revised Statutes* (NRS) 638 and could include the refusal to issue a license, revocation of a license, suspension of a license and positions of a fine. Sections 2 and 3 of the bill show where the language is placed in NRS 574 dealing with cruelty to animals. It does not indicate criminal penalties would apply, but I will look into it further.

SENATOR SCHEIBLE:

It is important to have a clear legislative history on this topic. I am supportive of the bill, and we should do what we can to prevent this kind of harm to animals. I want to ensure that the point of the bill applies to veterinarians, not pet owners taking their cats to veterinarians for this cruel procedure. I want it clear the bill includes civil penalties, not criminal penalties.

CHAIR DONATE:

Does this bill limit the scope of practice for a veterinarian needing to declaw a cat to save the paw or other medical reason?

MR. HORNE:

The intent of A.B. 209 is to direct veterinarians not to engage in the declaw procedure unless it is for the health and welfare of a cat. For tumors, injuries and other medical reasons, a veterinarian is well within the scope of practice to do the procedure. Declawing is not intended for aesthetic purposes or because the cat is scratching on furniture.

SENATOR HANSEN:

Who determines the reason for declawing if the veterinarian follows the dictation of the client without investigating its legitimacy?

MR. HORNE:

It is incumbent upon a licensed veterinarian to follow due diligence for any procedure. A veterinarian should not take the word of a pet owner for a diagnosis in place of professional determinations.

SENATOR HANSEN:

What is the enforcement mechanism if a veterinarian declaws without a legitimate reason?

MR. HORNE:

Licensing boards oversee the conduct of their licensees. Someone can report this practice if a veterinarian is operating outside the scope of a veterinary license. A board is tasked with investigation and determining if a complaint is warranted and then proceeds from there.

SENATOR BROOKS:

Similar measures have failed in California, Florida, New Hampshire, New Jersey, Massachusetts and Michigan in the last two years. It seems this is a difficult measure to pass. Why is the movement having trouble getting traction?

MR. HORNE:

The successes of passing similar measures include New York, some municipalities in the Country and a number of provinces in Canada. The effort to get this practice abolished has been succeeding. As more states come forward

to abolish this practice, others will follow. Nevada can be a trendsetter in doing the right thing.

JILL DOBBS (Executive Director, SPCA of Northern Nevada):

The SPCA of Northern Nevada supports A.B. 209. Scratching is a necessary and natural cat behavior. Declawed cats are often relinquished to animal shelters because of long-term negative, physical and psychological effects including arthritis, chronic pain and refusal to use litter boxes. Declawed cats cannot live outdoors without their defense mechanisms. There are many support letters for the bill sent to the Legislature detailing the problems and pain owners of cats have experienced because of this procedure. It is difficult for declawed cats to get adopted. Gracie is one of our resident cats experiencing severe pain and unable to properly walk. There are many other humane solutions to issues warranted as reasons to declaw. It is unacceptable to make a cat suffer lifelong pain for human convenience.

FRANCESCA FULCINITI (Executive Director, Heaven Can Wait Animal Society):

Heaven Can Wait Animal Society supports A.B. 209. For 20 years, Heaven Can Wait Animal Society has worked toward ending euthanasia in Las Vegas by providing lifesaving spay and neuter services and high-impact adoption and foster programming. The Society has served over 150,000 animals.

Every surgical procedure has its risks. Each patient is carefully evaluated to ensure the benefits of the surgery outweigh the risks. Neuter surgeries have positive impacts on the quality of life for animals and for future generations. Declawing is an unnecessary painful procedure with potential for chronic medical issues and behavior problems. In very few situations do the risks outweigh the benefits. Heaven Can Wait Animal Society does not recommend declawing as a solution to its clients when discussing the behavior problems of their cats.

ALEX NORIEGA:

I have fostered dozens of kittens for shelters in my area. Cats need claws and surgery is unnecessary. Veterinarians in other states lobby politicians heavily, and it has been difficult to pass this legislation. It is more important to do what is best for the animals.

BARBARA HODGES, DVM (Director of Advocacy and Outreach, The Humane Society Veterinary Medical Association):

I work exclusively with companion cat and dog patients. The Humane Society Veterinary Medical Association has 500 members nationwide, including 100 members in Nevada. The Association supports A.B. 209 which would end nontherapeutic toe amputations on cats.

Declawing involves amputating the last bone of a cat's toes. It is an unnecessary surgery generally performed to address convenience issues. There are no medical benefits to cat patients for this surgery, and they may have lasting negative impacts on their health and welfare. The surgery exposes them to risks of anesthesia, infection, blood loss, chronic pain, nerve damage and lameness.

Many veterinarians refuse to declaw on ethical grounds citing it as an inhumane invasive surgery. There are no veterinary medical associations that condone this surgery. Dozens of countries and 11 cities in the U.S., including Austin, Texas, have prohibited the practice of declawing. In 2019, New York put into law the prohibition of declawing. Nevada could become the second state to prohibit this inhumane procedure.

REBECCA GOFF (Nevada Humane Society):

The Nevada Humane Society supports A.B. 209. Declawing leaves cats with long-term postsurgical, physical and behavioral issues. Many cats are surrendered to shelters. Sixty-three percent of cats having the procedure have painful bone fragments left behind. Rehabilitation of many of these cats is expensive, and often complicated surgeries are necessary.

ASSEMBLYWOMAN MARTINEZ:

More counties in the U.S. are banning declawing, and I will share this information with the Committee. I was not discouraged by those who expressed their opinion that this legislation would not move forward. Education about the procedure is important, and this measure passed the Nevada State Assembly. When we know what is better for animals, we do better. California has such a strong lobby core, the measure has not passed there.

I will read a support letter ([Exhibit G](#)) from Ms. Lev Schneiderman, a Las Vegas citizen from the other party, for bringing forth A.B. 209. Cats are not partisan,

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they just want to keep their paws. I urge the support of the Senate Committee on Natural Resources on A.B. 209.

CHAIR DONATE:

We will close the hearing on A.B. 209 and open the hearing on A.B. 146.

ASSEMBLY BILL 146 (1st Reprint): Revises provisions relating to water.
(BDR 40-123)

ASSEMBLYWOMAN SARAH PETERS (Assembly District No. 24):

I will present A.B. 146 which revises provisions related to water pollution resulting from diffuse sources. Nevada is the most arid state in the U.S., and water is our State's most precious resource. Protecting its quality is of profound importance.

We depend on water for drinking, agricultural irrigation, economic development and recreational use. One of the biggest threats to our limited water resources is pollution. Point source pollution comes from, for example, large pipes exuding green gunk and dumping waste into rivers. The leading causes of water quality impairments in Nevada are not from single-source pollutants, but rather pollutants from diffuse sources, or nonpoint source pollution.

Diffuse water pollution is generally caused by runoff, precipitation, drainage or atmospheric deposition. Often, snowmelt or rainfall carry various pollutants like chemicals, bacteria, fertilizer and sediments into our groundwater, lakes and rivers. These pollutants can stem from agricultural production through excessive use of herbicides, pesticides and fertilizers. Acid drainage from abandoned mine operations, runoff from urban areas including development and clearing of large swatches of land and faulty septic systems contribute to diffuse water pollution. Landscaping fertilizers from golf courses, improper disposal of pet waste or toxic chemicals are other contributors. Air pollution plays a major role in the creation of acid rain, and exhaust fumes combined with water in the atmosphere have been known to cause toxins. Diffuse-sourced pollution is not the only source of water pollution in Nevada; it is a leading cause of water pollution in the Nation.

Assembly Bill 146 authorizes the State Department of Conservation and Natural Resources (DCNR) to develop plans, recommendations and policies to manage, control and mitigate water pollution from diffuse sources.

The bill requires the State Environmental Commission to adopt regulations for controlling the infiltration of contaminants into underground water resulting from contaminated fluids or soil, if the underground water supplies, or may reasonably be expected to supply, a public water system.

Assembly Bill 146 requires the Commission to publish notices of hearings on regulations providing standards of water quality or waste discharge in newspapers and digital format generally accessible in the area and to any community impacted.

It requires the Commission to consider any disproportionate impacts on underserved communities when adopting regulations, standards of water quality and effluent limitations.

The bill codifies the practice of informing and consulting with Indian tribes during regulatory and permitting processes concerning water pollution. It sets forth a legislative declaration that the people of Nevada have a right to clean water, and it is the policy of the State to mitigate the degradation of waters in Nevada.

I will review the conceptual amendment ([Exhibit H](#)) which is a product of continued work with concerned stakeholders, primarily local water managers. Changes in section 4, subsection 1, paragraph (d) of A.B. 146 propose to move the adoption of regulations out of the mandate and give discretionary authority to the State Environmental Commission for the development of regulations for groundwater contaminants.

Concerns arose regarding the input of local municipalities in the regulatory development process. Before the Commission adopts such regulations, an additional and specific public hearing is required to consider the economic and technological feasibility of regulations and the costs of implementation to local governments.

Changes in section 4, subsection 7 propose to add marginalized community definitions to be in line with use of the definitions in other statutes.

Changes in section 6 of the conceptual amendment, [Exhibit H](#), propose to add a subsection to give discretionary authority for the Director to provide

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recommendations to the State Environmental Commission on the adoption of regulations.

SENATOR BROOKS:

Where in the conceptual amendment is the reference to marginalized communities?

ASSEMBLYWOMAN PETERS:

Point 2 in the conceptual amendment, [Exhibit H](#), revises section 4, subsection 7 adding legally recommended definitions. There are marginalized communities defined in the text of A.B. 146 First Reprint. There are additional definitions as supporting definitions because census tract has specific designations related to these block group and census tract definitions.

SENATOR BROOKS:

Point 2 revises the portion of the bill defining marginalized communities, and is this additional clarity?

ASSEMBLYWOMAN PETERS:

That is correct.

SENATOR SCHEIBLE:

On page 6 of A.B. 146, are you referring to marginalized communities or underserved communities?

ASSEMBLYWOMAN PETERS:

The initial version of A.B. 146 used the term "marginalized" communities. A better definition was found in a different piece of legislation, and "underserved" communities replaced "marginalized" to be specific, easier to follow and for regulation accountability.

SENATOR GOICOECHEA:

Is the Director referred to in the conceptual amendment the Director of DCNR?

ASSEMBLYWOMAN PETERS:

Yes.

SENATOR GOICOECHEA:

What kind of recommendation would the Director submit to the State Environmental Commission when the Commission is the regulatory body?

ASSEMBLYWOMAN PETERS:

The original draft of A.B. 146 authorized the Director to take actions related to the mitigation and control of diffuse source or contaminated water input to water basins. Concerns arose about allowing one person the discretion to take actions. The objective was to allow discretion to the Division, considering its staff may be more observant of activities which could cause concern about controlling certain contaminants or actions resulting in degradation to waters. It enhances the narrative and discussion pathway from the Director's office to the Environmental Commission for offering suggestions and recommendations for on-the-ground activities that could help control pollutants.

SENATOR GOICOECHEA:

Wellhead protection programs for septic systems are in place for most groundwater basins near a community. It is proposed for the State Environmental Commission to adopt regulations and if high nitrates are found, then the State Board of Health needs to adopt more regulations. What is the solution on how to deal with septic systems?

ASSEMBLYWOMAN PETERS:

The obvious pathway for pollutants is from septic or sewage waste into water basins. An engineered process for designing septic systems includes modeling and identifying whether there will be impacts to water quality in basins.

Potential contaminants can result in degradation to groundwater, not necessarily from septic systems. The DCNR through the Division of Environmental Protection (NDEP) regulates injection fluids into groundwater. What is not regulated is the infiltration of pollutants into wastewater basins or other areas affecting our groundwater supply.

There are antidegradation rules the State uses to monitor and ensure groundwater basins are not seeing water quality degradation. What is proposed in A.B. 146 is direct control of the contaminants infiltrating groundwater.

The Division of Environmental Protection has communicated with the Department of Health and Human Services about this nexus with public health

with regard to section 4, subsection 2 of A.B. 146 regarding the management of sewage and disposal systems.

JENNIFER CARR, P.E. (Deputy Administrator, Administrative Services and Water Programs, Division of Environmental Protection, State Department of Conservation and Natural Resources):

There is a link in the programs regulating septic systems because NDEP regulates commercial septic systems, and the Department of Health and Human Services and the State Board of Health regulate residential septic systems.

With the provisions proposed by A.B. 146, NDEP will work in cooperation with the State Board of Health, the State Environmental Commission and staff from the Department of Health and Human Services.

ASSEMBLYWOMAN PETERS:

The change to section 4 in Exhibit H states the Commission may adopt regulations but are not required to adopt regulations allowing for future adoption of regulations.

SENATOR GOICOECHEA:

Where is that in the amendment?

ASSEMBLYWOMAN PETERS:

Point No. 1 is in the conceptual amendment, Exhibit H.

PAUL SELBERG:

Living in the driest State in the Nation, Nevadans place high value on their water resources. The State has a responsibility to protect the quality of water to ensure all Nevadans have clean water to drink now and in the future. According to NDEP, nonpoint source pollution is the leading cause of water quality impairments in Nevada.

Assembly Bill 146 attempts to give Nevada's State agencies the tools to manage nonpoint source pollution and protect and improve water quality. It requires the State Environmental Commission to consider any disproportionate impact on historically oppressed or marginalized communities when adopting water quality regulations. This will ensure water quality benefits and improvements are shared by all Nevadans and no community is unfairly subjected to higher pollution levels or lower water quality.

Surface water accounts for 60 percent of the State's water supply. Reducing pollution from nonpoint sources improves water quality resulting in clear drinking water, lower water treatment costs and safe water for outdoor recreational activities. I urge your support of A.B. 146.

DAVID CHERRY (City of Henderson):

The City of Henderson opposes A.B. 146. The City of Henderson's Department of Utility Services is Nevada's first utility-only agency receiving accreditation from the American Public Works Association, which is a testament to the City's commitment to providing the highest caliber water and wastewater services to its residential and business users while protecting the environment, encouraging conservation and safeguarding public health.

The inclusion of a mandatory requirement for a technical advisory committee or regulatory group including city governments would further strengthen A.B. 146. It will ensure that municipal perspectives be considered when regulatory actions are taken when creating new compliance standards affecting rates for consumers or reliability of the services being provided. The City urges the bill sponsor to consider the conceptual amendment ([Exhibit I](#)) to A.B. 146 proposed by the Urban Consortium, of which the City of Henderson is a member.

RANDY ROBISON (Vegas Chamber):

The Vegas Chamber aligns with the comments on a technical advisory committee to be added to A.B. 146 bringing that prospective to the regulatory process for cost determinations and accountability.

JAKE TIBBITTS (Natural Resources Manager, Eureka County):

Eureka County is neutral on A.B. 146 based on the conceptual amendment introduced by Assemblywoman Peters, [Exhibit H](#). The County members appreciate the bill sponsor for her work on the bill to find common ground. It is worth framing the extent of what constitutes the public's right to clean water and controlling pollutants not considered manmade.

Eureka County supports the nonpoint source pollution program administered through NDEP through a cooperative federalism approach under the Clean Water Act Section 319 Nonpoint Source Management Program. An approach to address any diffuse sources of pollution is best done by adequately funding incentive-based and voluntary measures such as the Section 319 Program.

Eureka County has been a subgrantee on two Section 319 Program projects and helped assist water quality improvement with landowners in this collaborative incentive-based way, and this is the best approach moving forward.

JUSTIN HARRISON (Principal Management Analyst, Department of Administrative Services, Clark County):

Clark County is neutral on A.B. 146. Issues the County had on the first draft of the bill have been worked out with the sponsor.

CALLI WILSEY (Senior Management Analyst, City of Reno):

The City of Reno is neutral to A.B. 146. Allison McCormick asked that I put the City of Sparks in neutral position to A.B. 146. The Urban Consortium conceptual amendment, [Exhibit I](#), resulted from recent conversations which the City of Reno supports as a member. Local governments are often faced with implementation of regulations, and at the statutory level, it is unclear what the impacts and costs might be.

The City of Reno approves the changes made to sections 4 and 6 by the conceptual amendment, [Exhibit H](#), allowing, rather than requiring, the adoption of regulations and the special public meeting requirement. The City of Reno is supportive and committed to water quality improvement efforts.

NEENA LAXALT (Nevada Cattlemen's Association; Central Nevada Regional Water Authority; Humboldt River Basin Water Authority):

Due to the diligent efforts of Assemblywoman Peters in reaching out to stakeholders, Nevada Cattlemen's Association, Central Nevada Regional Water Authority and Humboldt River Basin Water Authority are neutral on A.B. 146.

DOUG BUSSELMAN (Executive Vice President, Nevada Farm Bureau):

The Nevada Farm Bureau is neutral on A.B. 146 and appreciates the willingness of the bill sponsor to improve the language in the bill resolving points of contention. The Nevada Farm Bureau has strong policies favoring dealing with nonpoint source impairments of water quality with voluntary incentive-based best management practices. The bill incorporates these priorities.

DAVE DAZLICH (Vegas Chamber):

The Vegas Chamber is neutral on A.B. 146.

MS. CARR:

The Division of Environmental Protection is neutral on A.B. 146. I will read from my written testimony ([Exhibit J](#)).

ASSEMBLYWOMAN PETERS:

I am confident the stakeholders involved in nonpoint source management and groundwater infiltration and water treatment are on the same page about the requirements and understand the purpose of this bill. It is not intended to change the way things are being done. There are substantive management practices of water standards. Being a water-limited State, it is crucial for Nevada to care for its waters to avoid expensive treatments down the road at taxpayer expense. The more done today to ensure the highest standards of water treatment, the better for Nevada.

CHAIR DONATE:

We will close the hearing on A.B. 146 and open the hearing on A.B. 148.

ASSEMBLY BILL 148 (1st Reprint): Revises provisions governing mining.
(BDR 46-134)

ASSEMBLYWOMAN SARAH PETERS (Assembly District No. 24):

Assembly Bill 148 revises provisions governing permits to engage in exploration projects and mining operations. This is known as the "bad actor" law.

The U.S. economy depends on minerals for producing many things from housing materials to electric vehicles. Nevada is the top mineral-producing State in the Country. Nevada mining contributed \$11.2 billion to the State's economy in 2019. With the opportunity to access Nevada's valuable mineral resources comes the responsibility for mining operators to properly remediate and reclaim their mining operations.

Minerals are finite resources, and at the end of a mining operation, it becomes crucial to reclaim the site to ensure it is safe, stable and does not negatively impact water resources or the surrounding environment. To protect the environment and ensure the State does not have to pay the costs for reclaiming mines, mining operators must submit reclamation bonds before starting a mining operation.

Assembly Bill 148 seeks to further protect Nevada by making it harder for bad actors who have previously defaulted on a bond to participate in exploration or mining operations. It prohibits issuance of an exploration or mining permit to any applicant in default on any obligation related to reclamation. The bill authorizes the issuance of such a permit if the applicant pays the full amount of a defaulted obligation and demonstrates that the conditions which led to the default have been remedied or no longer exist.

The bill requires corporations or business entities to submit the names and addresses of each person with controlling interests in the corporation or business entity with the application. The bill requires an applicant to submit an affidavit stating whether or not the applicant and each person who has a controlling interest is in good standing with all state and federal agencies in relation to exploration projects or mining operations outside of Nevada. The bill prohibits the issuance of a permit if the applicant is not in good standing with any state or federal agency in relation to an exploration project or mining operation.

The term good standing has important implications. In the case of an exploration or mining project, there can be a variety of permits with regulatory agencies requiring compliance. These can be in water use and management, air pollution, wildlife protection through industrial pond permits and a variety of other permits depending on the operation. Each of the permits have obligations and are contracts for operating in a certain manner. A violation of permit terms would mean to be outside of good standing. However, modern regulatory agencies typically work with the permittee on work plans to attain compliance when violations occur.

As an example, Jerritt Canyon Gold is a processing facility in Nevada that has been cited for years for its out-of-compliance air quality permits. The regulatory agency worked with them but ultimately had to shut down the operation to force the company to adopt mitigation and best practices to comply with its permit.

The determination of any good standing should be developed through the regulatory development process requiring public hearings and considerations of impacts to small businesses. The NDEP has the expertise to define the meaning of the term "in good standing" relating to a variety of industry permits.

Some stakeholders would like definitive language in statute potentially defining timelines and narrowing the definition. However, in this case, our bodies should leave those determinations to the experts and allow for the robust public input regulatory process to develop specifics of an issue.

SENATOR GOICOECHEA:

How can you research being in good standing in other states? Many companies are widespread.

ASSEMBLYWOMAN PETERS:

Including an affidavit process is the most comprehensive way to handle it without putting the responsibility on the State to research and review every person involved in a company. It is up to the company to sign an affidavit in good faith stating as to whether or not the applicant and each person on the application is in good standing with all state and federal agencies. Willfully leaving out information can result in revocation of a permit.

SENATOR HANSEN:

When was the last case in Nevada where a company abandoned a mine and was not bonded?

ASSEMBLYWOMAN PETERS:

It is not an issue seen often in Nevada, but neighboring states had cases in 2018 with devastating reclamation issues costing states \$70 million. Nevada has robust policies on reclamation bonding, and the issues are infrequent. The reciprocity piece of A.B. 148 ensures protections of Nevada resources from those who are known abusers in other states.

SENATOR HANSEN:

If an entity has abused in other states, it would be tough getting bonded in Nevada. Bond companies will not bond an entity in default in other states. Why are we doing something based on bad policies of other states? Nevada has been aggressive on this issue for decades.

ASSEMBLYWOMAN PETERS:

It was not long ago that our reclamation bonding mechanisms were not covering the costs of reclamation for abandoned sites. It has resulted in an increased robustness of the program. This legislation adds a protective layer ensuring due diligence by our State, not relying on banks or bonding reviews to determine if a

company is a good actor and be allowed the use of Nevada's natural resources. Assembly Bill 148 proposes to proactively protect limited natural resources which are the backbone to what makes Nevada tick.

SENATOR HANSEN:

My concern is the duplication of efforts where cases have been few. Bonding procedures were recently upgraded, and the occurrences of bad actors seem remote.

SENATOR GOICOECHEA

Does the bill allow for a company to attain compliance and be allowed a permit?

ASSEMBLYWOMAN PETERS:

Yes. The bill follows standards set in Montana for expectations in meeting reclamation obligations after a default. Issues resulting in a default must be remedied.

SENATOR GOICOECHEA:

If an entity has a site in another state, we could fail to issue a permit in this State which could benefit other states.

CHRISTINE SAUNDERS (Policy Director, Progressive Leadership Alliance of Nevada): The Progressive Leadership Alliance of Nevada supports A.B. 148. It will ensure accountability of mining corporations by holding individuals responsible for contamination from operating any mines in the State until remediation occurs. Similar legislation recently passed in Colorado, and Montana has had similar legislation in place since 1989. The most well-known reason for this law was in 1998 when bankrupt Pegasus Gold, Inc, left Montana with a \$35 million cleanup. These mines polluted surrounding waterways with cyanide, arsenic and other contaminants causing water treatment measures that may be needed permanently.

Mining contamination has long-term impacts on the health of Nevadans, particularly women's reproductive health. Public funding is required when bad actors cannot be held accountable. It is common sense policy impacting bad actors who disregard legal obligations.

CHRISTI CABRERA (Nevada Conservation League):

The Nevada Conservation League supports A.B. 148. Mining operations have significant and long-lasting impacts to our lands, water and environment. It is crucial for mining companies to fully reclaim the land and environmental damages caused when operations cease. By holding bad actors accountable, A.B. 148 will protect Nevada's environment and taxpayers from future degradation and expensive reclamations.

CHELSEY HAND (Outreach and Program Coordinator, Great Basin Resource Watch):

The Great Basin Resource Watch supports A.B. 148. I will read my written testimony ([Exhibit K](#)).

TYRE GRAY (President, Nevada Mining Association):

The Nevada Mining Association and its 400 members oppose A.B. 148. There is value in making it known to the world that Nevada is closed to bad actors. Nevada has spent the last five decades developing the world's leading regulatory structure for protection from irresponsible parties.

Good actors should not be punished for the acts of bad actors. The Nevada Mining Association has provided specific definitions on who is liable under statute and what violations rise for disqualification. Colorado and Montana are two other states adopting similar legislation to A.B. 148. These states limited the applicability of their legislation only to reclamation and specified that the triggering events are either revocation or suspension of a permit or forfeiture of a reclamation bond.

Assembly Bill 148 should be similarly limiting focus on potential bad actors. The Nevada Mining Association has shared a possible amendment with Assemblywoman Peters to meet the aims advanced by the sponsors: to protect Nevada from bad actors, and to protect good actors from liability.

Nevada's mining industry is committed to working with the sponsor to amend the bill to stand together and send a clear message. Nevada supports responsible mining but will not tolerate bad actors.

MR. DAZLICH:

Vegas Chamber opposes A.B. 148 and echos the testimony of the Nevada Mining Association. Mining is a key industry in Nevada, and good actors in the

industry should not be hurt to keep the bad actors out. The Chamber agrees with the recommended definitions from NDEP and will possibly change from the opposition position if further amendments come forward.

GREG LOVATO (Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources):

I will read from my written neutral testimony ([Exhibit L](#)) on A.B. 148. The lack of critical definitions in the proposed bill are remaining concerns of NDEP.

SENATOR GOICOECHEA:

If this bill was in place ten years ago, how many projects do you think would have been suspended or held up?

MR. LOVATO:

The Division is often asked if it denies permits. Generally, if an application is incomplete and the applicant is unable to resolve the issues, eventually the application is withdrawn or not completed. A permit is not formally denied by NDEP, but effectively, the application is denied. This may discourage applications.

SENATOR GOICOECHEA:

Over the last ten years, there have been some projects costing the State money or the project went back to the reclamation bond. There have been some bad actors, and mining projects have failed.

ASSEMBLYWOMAN PETERS:

In response to the Nevada Mining Association, we have been working together and I just received a proposed amendment. I am amicable to some pieces in the amendment, and it would resolve concerns of NDEP regarding the definitions on who would be subject to the revocation or denial of a permit. That is a pending amendment.

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CHAIR DONATE:

I will close the hearing on A.B. 148. With no further business, I will adjourn this meeting at 5:34 p.m.

RESPECTFULLY SUBMITTED:

Christine Miner,
Committee Secretary

APPROVED BY:

Senator Fabian Donate, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description
	A	1		Agenda
A.B. 31	B	1	Jennifer Ruedy	Work Session Document
A.B. 34	C	1	Jennifer Ruedy	Work Session Document
A.B. 74	D	1	Jennifer Ruedy	Work Session Document
A.B. 75	E	1	Jennifer Ruedy	Work Session Document
A.B. 209	F	2	Assemblywoman Susie Martinez	Visual Presentation
A.B. 209	G	1	Assemblywoman Susie Martinez	Letter of Support from Lev Schneiderman
A.B. 146	H	1	Assemblywoman Sarah Peters	Conceptual Amendment
A.B. 146	I	1	David Cherry / City of Henderson	Conceptual Amendment by the Urban Consortium
A.B. 146	J	1	Jennifer Carr / Division of Environmental Protection / State Department of Conservation and Natural Resources	Written Testimony
A.B. 148	K	1	Chelsey Hand / Great Basin Resource Watch	Written Testimony
A.B. 148	L	1	Greg Lovato / Division of Environmental Protection / State Department of Conservation and Natural Resources	Written Testimony