MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Eighty-Second Session March 13, 2023

The Committee on Natural Resources was called to order by Chair Lesley E. Cohen at 4:01 p.m. on Monday, March 13, 2023, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada and to Room 130, Greenhaw Technical Arts Building, Great Basin College, 1500 College Parkway, Elko, Nevada. Copies of the minutes, including the Agenda [Exhibit A], the Attendance Roster [Exhibit B], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Lesley E. Cohen, Chair
Assemblywoman Natha C. Anderson, Vice Chair
Assemblywoman Shannon Bilbray-Axelrod
Assemblywoman Tracy Brown-May
Assemblywoman Venicia Considine
Assemblyman Rich DeLong
Assemblywoman Bea Duran
Assemblyman Bert Gurr
Assemblywoman Alexis Hansen
Assemblywoman Selena La Rue Hatch
Assemblyman Howard Watts
Assemblyman Toby Yurek

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Nicolas Anthony, Committee Policy Analyst Connie Barlow, Committee Manager Nancy Davis, Committee Secretary Cheryl Williams, Committee Assistant

OTHERS PRESENT:

Colby Pellegrino, Deputy General Manager, Resources, Southern Nevada Water Authority

Andrew Belanger, Director, Public Services, Southern Nevada Water Authority

Danny Thompson, representing International Union of Operating Engineers of Local 3; and International Union of Operating Engineers Local 12

Kandice Townsend, Government Affairs Specialist, City of North Las Vegas

Kyle Roerink, Executive Director, Great Basin Water Network

Jaina Moan, External Affairs Director, The Nature Conservancy

Nicole Rourke, Director, Government and Public Affairs, City of Henderson

Christi Cabrera-Georgeson, Deputy Director, Nevada Conservation League

Isaac Hardy, representing Moapa Valley Water District; and Virgin Valley Water District

Steve Walker, representing Eureka County

Ashley Garza Kennedy, Principal Management Analyst, Government Affairs, Department of Administrative Services, Clark County

K. Neena Laxalt, representing Central Nevada Regional Water Authority

Zach Bucher, Government Affairs Officer, City of Las Vegas

Patrick Donnelly, Nevada State Director, Center for Biological Diversity

Mary Beth Sewald, President and CEO, Vegas Chamber

Brigitte Solvie, Private Citizen, Clark County, Nevada

Kathleen Meehan, Private Citizen, Las Vegas, Nevada

Ed Borelli, Private Citizen, Las Vegas, Nevada

Michele Tombari, Private Citizen, Las Vegas, Nevada

Sarah Patton, Private Citizen, Las Vegas, Nevada

David Grant, Private Citizen, Las Vegas, Nevada

Cyrus Hojjaty, Private Citizen, Las Vegas, Nevada

Joseph Demonte, Private Citizen

Ms. Ojeda, Private Citizen, Las Vegas, Nevada

Vicki Skilbred, Private Citizen, Las Vegas, Nevada

Christian Salmon, Private Citizen, Las Vegas, Nevada

Jennifer Carr, P.E., Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources

Leo Drozdoff, representing Truckee Meadows Water Authority

Bradley Mayer, representing Southern Nevada Health District

Adam Sullivan, P.E., State Engineer and Administrator, Division of Water Resources, State Department of Conservation and Natural Resources

Aodhan Downey, representing Nevada REALTORS

Robert Fyda, Supervisor, Individual Sewage Disposal Systems, Legionella, and Safe Drinking Water, Southern Nevada Health District

Matt Forister, Private Citizen, Reno, Nevada

Kevin Burls, Biologist, Endangered Species Conservation, Xerces Society for Invertebrate Conservation

Bari Levinson, Member, Toiyabe Chapter, Sierra Club

Kassandra Lisenbee, Outreach and Program Coordinator, Great Basin Resource Watch

David McNinch, Commissioner, Board of Wildlife Commissioners, Department of Wildlife

Alan Jenne, Director, Department of Wildlife

Jen Newmark, Administrator of Wildlife Diversity, Department of Wildlife

Chair Cohen:

[Roll was called. Rules and protocol of the Committee were reviewed.] We are going to go a little out of order today. We will start with our work session.

Assembly Bill 19: Revises provisions relating to water. (BDR 48-233)

Nicolas Anthony, Committee Policy Analyst:

First on our work session is <u>Assembly Bill 19</u>, which was heard in this Committee on February 22, 2023 [<u>Exhibit C</u>]. It was sponsored by this Committee on behalf of the Division of Water Resources, State Department of Conservation and Natural Resources. The bill allows tribal governments to apply for grants from the Channel Clearance, Maintenance, Restoration, Surveying and Monumenting Program.

The bill also authorizes certain officers and employees of tribal governments to apply for the position of state water rights surveyor. There are no amendments to this measure.

Chair Cohen:

Do we have any questions? Seeing none, I am looking for a motion to do pass.

ASSEMBLYWOMAN ANDERSON MADE A MOTION TO DO PASS ASSEMBLY BILL 19.

ASSEMBLYMAN WATTS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblywoman Anderson. With that, we will move on to Assembly Bill 46.

Assembly Bill 46: Makes various changes relating to historical markers. (BDR 33-240)

Nicolas Anthony, Committee Policy Analyst:

Assembly Bill 46 was heard in this Committee on February 15, 2023 [Exhibit D]. This bill was brought forward by this Committee on behalf of the Office of Historic Preservation, State Department of Conservation and Natural Resources. Assembly Bill 46 transfers certain responsibilities for historical markers. The Office of Historic Preservation proposed an amendment to, instead of this bill as originally written, assign the responsibility for the installation, maintenance and repair of historical markers to the Nevada Division of State Parks. The amendment is attached in the work session document [pages 2 – 5, Exhibit D.].

Chair Cohen:

Are there any questions? Seeing none, I am looking for a motion to amend and do pass.

ASSEMBLYWOMAN BILBRAY-AXELROD MOVED TO AMEND AND DO PASS ASSEMBLY BILL 46.

ASSEMBLYMAN DELONG SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

I will ask Assemblywoman Bilbray-Axelrod to read the floor statement.

Assembly Bill 109: Establishes provisions relating to soil health. (BDR 49-571)

Nicolas Anthony, Committee Policy Analyst:

The last bill on your work session document this evening is <u>Assembly Bill 109</u>, which was heard in this Committee on February 20, 2023 [<u>Exhibit E</u>]. The bill was brought forward by Assemblywoman La Rue Hatch and others. The bill relates to the Healthy Soils Initiative within the State Conservation Commission. The bill also included an appropriation. There were two amendments to the bill. The bill amendments are from the primary sponsor, Assemblywoman La Rue Hatch, in consultation with the Conservation District Program. The amendment changes the recipient of the \$200,000 appropriation from the State General Fund to instead go to the Conservation District Program of the State Department of Conservation Natural Resources. The other amendment adds Assemblywomen Gorelow and Summers-Armstrong as cosponsors to the measure.

Chair Cohen:

Do we have any questions? Seeing none, I am looking for a motion to amend and do pass.

ASSEMBLYWOMAN ANDERSON MOVED TO AMEND AND DO PASS ASSEMBLY BILL 109.

ASSEMBLYMAN GURR SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman DeLong:

I would like to say from a policy perspective, I am very supportive of this bill. I do have some reservations about the appropriations. I am hoping that it is a one-time shot to invigorate the program. I will vote in favor of it.

Chair Cohen:

Seeing no further comments, we will vote.

THE MOTION PASSED UNANIMOUSLY.

I will ask Assemblywoman La Rue Hatch to read the floor statement. I will now open the hearing on <u>Assembly Bill 220</u>.

Assembly Bill 220: Revises provisions relating to water conservation. (BDR 40-337)

Assemblyman Howard Watts, Assembly District No. 15:

It is my pleasure to present <u>Assembly Bill 220</u> for your consideration. <u>Assembly Bill 220</u> was yet another recommendation from the Joint Interim Standing Committee on Natural Resources. It was recommended from the Subcommittee on Public Lands and cleared both of those committees with unanimous support. The primary aim of <u>A.B. 220</u> is to continue to advance southern Nevada's leadership in water conservation across the region. I am not going to spend time rehashing some of the statistics that were provided during the Southern Nevada Water Authority's (SNWA) presentation about the situation we find ourselves in along the Colorado River Basin. Suffice it to say, it is critical that we continue to push to be on the leading edge when it comes to water conservation. That is what <u>A.B. 220</u> does. It builds on a long history of action from local government and at the state level, including last legislative session when this body passed the first-of-its-kind law leading to the removal of nonfunctional turf in southern Nevada over the next few years.

What we are focused on is trying to continue the trajectory that so many have heard about where over the last several decades, even as the population and the economy of southern Nevada has grown, its consumptive water use has gone down. That has happened by our focusing on those consumptive uses of water and utilizing our water recycling system to continue to try and close that loop more and more. We are never going to get to—I should not say never—it is going to be a long way away until we get to a 100 percent closed-loop system for water recycling. The more that we can do to address those consumptive uses of water and increase the measures that we use to capture and recycle water, the more that we can ensure the resilience of our community in southern Nevada

Having taken some actions to address irrigation of grass, that was the number one and is why southern Nevada has started with voluntary conservation incentives and has now moved down the path of setting some policies both at the local level to prevent the installation of turf in new development as well as our state policy working to remove existing decorative turf from nonresidential properties. Assembly Bill 220 has some measures to continue to make

sure that we drive down our water usage when it comes to turf and use our water resources as smart as possible, while preserving key recreational opportunities and other needs.

Having tackled turf to a large extent, we are now looking at how we get our gallons per capita per day consumptive usage down to meet our goals. Loss to septic systems is another major factor. Over time, as the valley has grown, we have seen once rural areas now be surrounded by the urban footprint. We actually have thousands upon thousands of septic systems within the Las Vegas Valley, within the service territory of SNWA's member agencies. One of the things that A.B. 220 is seeking to do—which is another reoccurring theme throughout this session—is harness some of the new federal infrastructure funding, as well as put together some other resources to assist homeowners who have septic systems and are close enough to a wastewater system, to connect to that wastewater system. That has dual benefits. One, it addresses potential growing water quality issues within the groundwater in the Las Vegas Valley. Two, by connecting into that wastewater system, they are connected into our water recycling system, preventing that consumptive loss of water. That has tremendous opportunity. The big picture of A.B. 220 seeks to give the water authority in our local governments the flexibility they need to respond quickly if the situation in the Colorado River system declines.

As you know, our body does not meet very frequently. One of the things that I have consistently heard over the last few years from folks across the Colorado River community is, we did not think it would get this bad this quickly. There are a series of actions that need to be taken and are continuing to be sought to address some of those issues. I am very concerned about our having to wait until the legislative session convenes to be able to further address some of these issues. This gives our water providers the flexibility to make sure that key public safety and health needs are met.

If we end up in a situation where due to shortages and reductions on water use across the river, we have to decide what uses to prioritize, at a high level that is what the bill is seeking to do. We have done some tremendous things in southern Nevada and across the state to lead in water conservation. This provides so many benefits to the resiliency of our community as well as to economic development, sustainability, and innovation. This is yet another step forward as we continue to look at new policy options and new technologies to continue our leadership in that area.

Most importantly, for me, speaking as the chair of the interim committee, it is also an important signal to other urban communities throughout the region of what they can explore to improve their conservation practices. It is a sign to every other sector across the Colorado River Basin that we are not going to wait for others. We will take the lead and work to reduce our consumptive use of water. If everyone else takes on similar initiatives, we will be able to sustain our community and communities across the Colorado River Basin for future generations. I would now like to turn it over to Colby Pellegrino and Andy Belanger from SNWA to provide additional details about the bill, after which we would be happy to answer any questions members of the Committee may have.

Colby Pellegrino, Deputy General Manager, Resources, Southern Nevada Water Authority:

I think Assemblyman Watts did a fabulous job of giving an overview of the bill and the need, so I will just hit on a few high points quickly and then I am going to turn this over to Mr. Belanger to provide little more detail of the bill. As temperatures increase across the Southwest, we are seeing less consistent flow on the Colorado River. For every one degree of warming that we experience, we anticipate a 5 percent decrease of runoff in the basin. Because the atmosphere is warming, that means more water is evaporating before it makes it into the system, and our soils are dryer, soaking up more water on its way from the mountains into our reservoirs.

If we look back at this current drought of 23 years, 15 of those years have been below average, leaving Lake Mead at nearly 28 percent full. Lake Mead is the source of water for seven out of every ten Nevadans, making up 90 percent of the community's water supply. Today Lake Mead is at elevation 1,047 feet, which is within a Tier 2 shortage. There are three shortage levels currently defined. If Lake Mead drops below elevation 1,025 feet, we are subject to future cuts of an unknown magnitude. Those are currently being negotiated amongst the seven states right now and developed through an environmental impact process with the Bureau of Reclamation. The future is stark. We could be dipping below elevation 1,000 feet by the summer of 2024.

We need to continue to take every action that we can to reduce demands. That is going to require participation, not only from the state of Nevada, but from every state and every sector. We have spent a tremendous amount of time, energy, and resources stretching our small supply of the Colorado River water, but we need to do more. The stark reality of our current situation is that what we are marking as the driest 23 years of the last 100 may very well be the wettest 23 years of the next 100 years we experience. We do not know what the future holds, but we know one thing for certain, and that is that we will need to continue to use less water, along with everyone else on the Colorado River.

Assemblyman Watts did a great job discussing the elements of this bill. It is looking at firming up all of those consumptive uses of water; making some slight modifications as it relates to the initiatives we did during the last session relative to nonfunctional turf; and also making those same definitions of nonfunctional turf durable in the future. It is prohibiting future septic systems and establishing an orderly transition for the septic systems that exist. It is also looking at how we address water systems in outlying areas, making modest changes to Nevada water law related to revocable permits and establishing changes through the groundwater management program for a septic conversion program as well as for our well owners, all of which will help make the southern Nevada water future more sustainable.

Andrew Belanger, Director, Public Services, Southern Nevada Water Authority:

I am going to review this bill section by section. I apologize in advance; it is a 38-page water bill. I do not know that I have ever seen one this long in my career.

Chair Cohen:

We are working from the amendment [Exhibit F], correct?

Andy Belanger:

I will speak to the conceptual amendment [Exhibit F], and I will refer to the original bill provisions that are in there as well; I will marry the two together. On the first page of the conceptual amendment, section 1, is the provision that relates to the health district. It requires the health district to connect properties to the community sewage disposal system if the property is within 400 feet of a sewage disposal system by January 1, 2054. I want to make clear that this provision is designed to extend the lines in the streets. It is not a 400-foot radius from the line, it is 400 feet to actually get the sewer lines to the property. The property may be within 400 feet, but if it would take 800 feet to get to the sewer, that person would not be affected by this bill. The clarifying amendments in green are designed to address that. We received a text from the Clark County Water Reclamation District to make sure that is clear. We received some feedback from the health district on how section 1, subsection 1 interacts with subsection 2. Section 1, subsection 2 requires people within 400 feet to then connect. This is not in the draft that you have, but rather than saying by January 1, 2054, we might change that to say "no later than," so that it is clear that is an outside limit and the properties would then be required to connect once the sewer lines are within 400 feet of the property. Section 1, subsection 2 [page 1, Exhibit F] requires the health district to review each septic permit on or before July 1, 2025, and every five years thereafter to determine if a property is within 400 feet. If the property is within 400 feet, they would then notify the property owner that he has to connect. Originally, the bill said within 365 days. In consultation with the health district, we are recommending that we increase that to 730 days, and the property owner would have to connect within that time frame.

The bill also requires the health district establish a program to pay not less than 50 percent of the cost of connection. That is similar to what we did with the Las Vegas Valley Groundwater Management Program, when we created the well conversion program. That program provides well owners with no less than 50 percent and up to 85 percent. We did not put an upper limit in this bill because there may be situations where we want to provide 100 percent of the cost of connection based upon the need of a septic owner. We want to have a minimum of 50 percent of the cost of connection covered through a funding program. We are working with the health district to secure state and federal funds for this program in addition to the fee that can be imposed by the health district pursuant to section 1, subsection 3, but we anticipate there will be a suite of funding available for this program. I know the health district is a bit concerned at a requirement that they have to provide 50 percent of the cost of connection. We are committed to working with them to make sure that we secure federal and state funding for that program.

Section 1, subsection 4 [page 2, <u>Exhibit F</u>] requires the health district to adopt regulations to prioritize properties where the sewer is right adjacent to the property line. It authorizes them to grant a one-time, five-year extension if there is not sufficient funding at any time for the program so that they can manage the flow of these types of systems as they come in. In consultation with Realtors, we added a provision to this section as well to allow the health

district to enter into agreements with counties and cities to establish special improvement districts and landscape improvement districts, to help fund these as well. Finally, we added a provision that says that the health district may revoke a septic permit if a person is failing to pay the fee and require their immediate connection. That is all of section 1. There is a lot in there, and it is probably the meatiest part of this bill.

Section 2 is conforming language related to that. Sections 3, 4, and 5 are provisions that have to do with development that is not adjacent to an existing water system. This is a provision that, in our original draft, we would have struck a requirement that local governing bodies assume responsibility for public water systems that are in the county and far away from the public water system. We are retaining at least in part some of that framework. What you see in orange is language that we had originally struck from the bill [page 4], which is now being included. That language still requires the local governing body to receive sufficient surety to ensure the continued maintenance and operation of those outlying water systems. It no longer establishes the same assumption of responsibility that was in the existing statute. In exchange for that it requires a new section 4, subsection 5, that says, "If there is a default by the builder or developer, the local governing body shall, at its sole and exclusive obligation, use the surety provided . . . to pay a certified water system operator to operate and maintain the water system." [page 4]. This provision is necessary so that the state's interest is protected, and that the residents' interest is protected without putting the local governing body on the hook for a bunch of additional costs. We do not want to necessarily be required to extend the water line to outlying areas or construct new facilities. We should not put our ratepayers on the hook to pay for finding a new source of water for that community, or to expend resources, or extend credit for those outlying water systems that are being proposed. That provision establishes the criteria. It puts some framework around the existing language about operation and maintenance, but it does it in a way that I think protects the existing rate base of a community while permitting some of these developments to be constructed. You see in section 4, subsection 6 [page 5] that we are retaining most of that language. We are also adding language that requires that surety be replenished or augmented so that the homeowners that are involved in that community have the obligation to provide for their own water system. We think this is a proper way to ensure that those small water systems that are proposed can continue to be built while ensuring the protection of the water system in general. Section 5 [page 6] is conforming language and retains much of what was struck in the original A.B. 220.

Sections 6, 20, 22, and 24 are the provisions that relate to the WaterSense program. These provisions add to the existing statute that requires the most efficient plumbing fixtures that also now includes landscape irrigation fixtures. Sections 6, 20, 22, and 24 are changed to require the WaterSense landscape irrigation fixtures to be used. We did make one modification to the existing language in those sections. There was a provision that exempted out landscape irrigation fixtures that were over 50 years old. While that makes sense to maintain indoor plumbing fixtures because of return flow credits, there is really no good policy to have an old water system, old pipes and old sprinklers, just because they are over 50 years old. You will see that change that we made in those sections.

Section 7 [page 9] and section 10 [page 13] change the requirement for water service from the 400 feet that were in the original bill to 1,250 feet. We wanted to make it clear that on the water side, you have 1,250 feet before you are required to connect to the water system; on the sewer side, because of the expense, 400 feet is the standard. These were provisions where it says 400 feet, but it should have been 1,250 feet because that keeps it consistent.

Sections 8, 9, and 11 of the bill make conforming changes to city and county code related to septic to ensure those are consistent.

The next big topic is in sections 12 through 19 and section 21. These provisions of the statute are specific to tentative maps and final maps for new development. We want to make sure that as properties and parcels are being considered by the planning and zoning agencies, there is also a concurrent review by the supplier of water to ensure that there is a sufficient water supply for those communities. These sections of law will make sure that the cities and the counties still retain the planning and zoning authority, but the supplier of water, the source of water will review and verify that there is sufficient water for that development.

The next section that I have not talked about yet is section 23. Section 23 of the bill relates to the capital improvement grants that are funded by the state and administered by the Board for Financing Water Projects. We received some feedback from both the Division of Water Resources and the Division of Environmental Protection that you can see on the conceptual amendment on page 32 [Exhibit F]. The first is that the State Engineer wanted to make sure that the costs associated with plugging and abandoning a well were covered. You see that both in the blue and in a new section 23, subsection 3, the cost of plugging and abandoning a well and connecting the property formerly served by the well is a covered cost in that program.

Section 25 of the bill was a provision that addressed *Nevada Revised Statutes* (NRS) 534.110. It changed a "may" to a "shall." We received a lot of feedback from the Farm Bureau, from Republic Services, and from rural counties stating that might not be the appropriate thing to do at this time. That provision is deleted from the conceptual amendment [page 36], and we will retain the existing language in NRS 534.110. We appreciate the feedback we received on that.

Section 26 of the bill addresses the ability of the State Engineer to issue temporary permits to appropriate groundwater found in NRS 534.120. These are not mine dewatering permits that are governed by NRS 534.050. This provision was put into statute in 1955, which allowed Las Vegas to continue to grow until the water facilities at Lake Mead were constructed. Section 26 returns it to what it looked like in 1999, before some of the changes that were made. In 1999, when this change was put into statute, it really handcuffed the State Engineer's ability to manage groundwater in the Las Vegas Basin. In conversation with them, we wanted to make sure that the State Engineer had greater flexibility to deal with water issues with temporary permits. You will see in the new language that pursuant to the new section 26, subsection 4 [page 37], in any designated basin, the State Engineer may do the things that are already listed in statute. There is a new subsection 5 that says, "In an area

in which have been issued temporary permits pursuant to subsection 3, the State Engineer shall: Deny...Limit...Prohibit...." This makes it mandatory in the Las Vegas Basin, which is an area where there have been temporary permits issued, but not in other parts of the state. It is still enabling there. We then put in a provision of this section that required the State Engineer to adopt regulations setting forth the new requirements because the ones that were in statute are being removed [page 39].

In section 27, subsection 3(b) of the bill, we are removing a provision that limits the State Engineer's ability to plug wells if the cost is more than \$200. This is a policy decision for the Legislature, but a \$200 limit that is in statute is effectively a ban. If you want to ban them, ban them, but a \$200 limit just precludes the State Engineer from doing his job of plugging wells in basins where it may make sense to do that. We want to make sure the State Engineer has the tools necessary to address the dry conditions that exist within Nevada. By removing that \$200 limit, it gives him that flexibility.

We are proposing in the conceptual amendment, a new section 27.5 [page 41] to amend NRS 538.171 to require the Colorado River Commission to approve any change in addition to place of diversion, manner of use or place of use of water or any change to the entitlement holder. We want to make sure that Nevada's Colorado River allocation is protected and that the Colorado River Commission approves any change in that case. It also expands the criteria that the State Engineer would use in reviewing that by removing the reference to subsection 3 of NRS 533.370 and then allowing all of NRS 533.370 to be the criteria.

Section 28 is probably the most consequential part of the bill. It defines the general manager of SNWA as the general manager of SNWA.

Section 29 of the bill is a lot of the stuff that Assemblyman Watts mentioned. The first provision in the amendment [Exhibit F] was section 38.2 which authorizes the SNWA Board of Directors to limit each single-family residence that uses the water of the Colorado River to a half acre-foot of water during federally declared shortages. There is no plan to do that in the short term. Given the conditions on the river, we want to make sure that we have the ability to do that before coming back to the Legislature in two years. Incidentally, the number of properties that affects is roughly 20 percent. The top 20 percent of our water users use more than a half acre-foot. The average customer in the Las Vegas Valley uses 130,000 gallons per year, and a half acre-foot is 163,000 gallons per year. Nearly 80 percent of our customer base would not see an impact of this section. It addresses those top 20 percent of customers who are using more water and have not made the changes necessary to protect our community's water supply.

Section 38.4, still in section 29 of the amendment [page 43], makes it clear that the provisions of this bill that prohibit new septic systems is specifically tied to properties that use or will use the waters of the Colorado River. I want to make it clear, this section that bans new septics does not apply to well owners. It only applies to septic systems that have a connection to the municipal supply. It does not impact the rural parts of Clark County where septic systems should still be constructed. For example, Overton or Searchlight, some of

those areas that are not connected to the Colorado River, would still be allowed to do septics. This only prohibits new septics in the valley where the Colorado River is the supply of water for those customers. It sets forth a waiver requirement for the general manager as well. You will see at the top of page 44 [Exhibit F] on the conceptual amendment that we wanted to add a provision that it does not also apply to any decreed, certified, or permitted right to appropriate water that is diverted from the Virgin River or the Muddy River; both are tributaries to the Colorado River. We wanted to make certain that was clear as well. We worked in consultation with Warren Hardy to make sure that provision got put into the conceptual amendment.

You see in section 38.6, which is still under section 29 of the bill, that this section prohibits new turf on any parcel or property served by the Colorado River. It does provide an exemption for warm season turf in parks, schools and cemeteries. It also creates a waiver provision for that as well.

Section 30 of the bill establishes a water efficiency monitoring program that SNWA would work to establish over the next year or so. It is designed to address single- to nonsingle family residential uses that have 20,000 square feet of turf, such as parks or golf courses, functional turf that has a lot of water use. We want to make sure that they are using their water in the most efficient way. This creates a program that they will participate. In talking with MGM, there was some concern about the time frame. We had a provision of not later than January 1, 2024, to notify the owners of any parcel. We are recommending that be changed to January 1, 2025, so that we give an additional year before we stand up that program [page 45, Exhibit F].

Section 31 of the bill makes changes to <u>Assembly Bill 356 of the 81st Session</u>. These changes make it very clear that the only exemption from the nonfunctional turf requirement is property that is used as a single-family residence, not property that is zoned [page 46]. We were hearing from some homeowner associations that they did not want to make the changes. Everything else was zoned for single-family residences, and we want to make it clear that the exemption is only for the property that is used as a single-family residence.

Section 32 of this are provisions that relate to the Las Vegas Valley Groundwater Management Program. Sections 32 and section 33 authorize SNWA to use the funds from the groundwater management fee for a septic conversion program.

Section 34, in consultation with the Vegas Chamber of Commerce makes changes to the emergency powers provision. This gives the SNWA Board of Directors, by resolution, the authority to authorize the general manager to restrict water use [page 49]. If they do so, any sort of restrictions have to be ratified by the Board within 15 calendar days [page 50].

Section 35 is related to section 1 of the bill. Section 36 is the effective date. We would propose that the health district provisions related to establishing a program and imposing a fee be effective immediately but delay the implementation of that section for two years so that everyone has some time to get used to this new approach [page 50].

Section 26, which has to do with the temporary permits, we propose that also be effective on July 1, 2025, and that the remainder of the bill be effective upon passage and approval.

Chair Cohen:

Thank you for the presentation. I have a few questions from the Committee.

Assemblywoman Anderson:

Thank you for the CliffsNotes version of an already novel-like bill. Under section 1, subsection 2(a)(1) [page 1, Exhibit F], was the extension of the time frame based upon the health district's request, and was that due to staffing or was that due to other elements such as research or other items of concern?

Andy Belanger:

My understanding is that the health district had some concerns about standing the program up and making sure that there was not a bottleneck. There are 15,000 properties in the Las Vegas Valley that are on septics. There are about 5,000 of those that have municipal water service, and they want to make sure that they have the time and the resources to ensure that there is enough time for that to occur, which is also why we added that provision for the five-year extension so that there is time and that we can prioritize those that make the most sense.

Assemblywoman Anderson:

In section 14, you mentioned the need for a final map, and section 16, subsection 2(a) states, "The board of trustees may review and comment in writing" Can that final map and certificate be done electronically, or is the intent to have a hard copy, something that is physically in front of individuals?

Andy Belanger:

My understanding is that a lot of those processes have moved to digital and so the comments can be done in the format that is allowed, and that could be digital.

Assemblywoman Anderson:

I know it seems like the devil is in the details but let us be realistic. My next question comes from section 26, subsection 3, dealing with the issuing of temporary permits. What is the definition of "temporary"? There are some who believe that is months, and there are some who believe it is years. I know this is current language, but I want a little bit more clarification about what your interpretation is of "temporary."

Andy Belanger:

This provision was put into the statute in 1955. The way that it operates in the Las Vegas Valley is that any permit that is granted after March 24, 1955, was issued with a revocable permit, a temporary permit pursuant to this section. There are roughly 1,700 community wells that exist in the Las Vegas Valley pursuant to a temporary permit that were granted between March 24, 1955, and sometime in 1992, when the state stopped issuing temporary permits in the Las Vegas Valley. Those permits are still in use today even though the

municipal water system may surround the property. This really highlights the concern that we created a temporary situation in the statute that is 70 years or so in the making.

Assemblywoman Anderson:

With that answer, I have got so many follow-up questions, but we can do that offline. My last question has to do with the section 39.5, subsection 3, that is found under section 30 of the bill. The general manager or his or her designee may approve an extension of water from the provisions explained. Is there a timeline process? I know that in another area, there is a mentioning of the State Engineer having to give a decision or denial within a certain number of days. Is that also the plan in this area or is that something that is going to be decided upon internally?

Andy Belanger:

I think what we want to make sure we have in this section is some flexibility because we do not know every situation that this could apply to. We want to make sure that there is the ability to do a waiver if, for instance, there is a nuance that is not covered in this bill that we want to make sure we address. Frankly, it is similar to what we did with the nonfunctional turf bill last year. We established under the statute what the definitions were, but we created a waiver process so that you could address some of those things that do not fit neatly in a box.

Assemblywoman Bilbray-Axelrod:

When I see 50 percent, that is great, but those areas affected by sections 10 and 11, while they are not in my district, have been in families for a long time. I think we have this idea that they have a lot of money and disposable income. I happen to know for a fact, that is not always the case; they just purchased a home a long time ago. I feel better about the timeline, but what is the cost of conversion currently?

Andy Belanger:

The cost really varies depending upon a lot of different factors: whether the sewer is right in front of the property; whether it is far; whether everybody is converting at the same time; or whether we are doing them one at a time. The cost we are seeing now, when they are done one at a time, is high—tens of thousands of dollars—which is why the program has the "at least 50 percent" language. If you have the ability to bring a community together and convert them all at once, the cost of cutting streets and doing all of the other components associated with a septic conversion program, you start to see those costs come down. We can get you an estimate of what the costs are. We are in the process of working through a pilot program right now, but we are happy to get that information to you.

Assemblywoman Bilbray-Axelrod:

On that same note, are you going to be talking to communities and trying to encourage them to convert all at once?

Andy Belanger:

Yes. That is really one of the reasons why the 400-feet requirement is in there, so that similarly situated neighbors are going to be affected at the same time. We can do neighborhoods all at once. Even those who fall outside of 400 feet, it may be 450 feet or 500 feet, we want to encourage those as well to do it at that time. We will make sure that there is plenty of outreach in conjunction with the health district and all of the parties that are working through this.

Assemblywoman Bilbray-Axelrod:

I know some of those lots are very large, and I know you talked about 20 percent using the most water. I know that just recently SNWA okayed the provision that new pool construction cannot be a certain depth. I happen to know there are some pretty darn big, deep pools. Is that going to be a concern with the amount of water when they move off septic?

Assemblyman Watts:

I think it is important to understand that for the vast majority of residents, even those with older homes, larger lots, and larger pools, they are still going to be in that 80 percent of people who would not be affected at all. I think it is also important to note that this is not something that is going to be implemented tomorrow. There would be a lot of conversation about how this gets implemented. The key thing is we want to make sure that when someone turns on his shower or flushes the toilet, it operates; when he turns on the sink for drinking water, it comes out. If we get to this point with folks that fall into that upper 20 percent of use, there is a lot of community awareness and demand for more conservation measures in southern Nevada. That is going to be a time when I think there will be ample communication and outreach to the community about, for example, you are going to have to let your lawn go brown so that we can make sure that all of those other critical needs are met. It is more about providing that flexibility at the local level to help manage the use for some of those nice to have uses so that the need-to-haves are preserved for everyone.

Chair Cohen:

To follow along with Assemblywoman Bilbray-Axelrod's question about cost, is there any reason besides cost that someone would not want to do the conversion?

Colby Pellegrino:

I think that generally what we hear is kind of being off the grid. People feel like they have more independence. The reality is septic systems require independent maintenance on behalf of the property owner; they restrict the use of that property because you cannot build anything over a septic tank; and they create water quality issues that affect everyone's public health and safety. In my experience, we have more people reaching out saying, I want to get rid of my septic tank, than people saying, Let me keep my septic tank. In the long term, sewer rates are likely to be cheaper than the cost of maintaining the septic system if you are properly maintaining the denitrification the way you should.

Assemblywoman Brown-May:

My question is relative to the 400 feet. I want to understand this a little bit better. It is about the septic system and municipal water. At one point you talked about 15,000 properties in the Las Vegas Valley that are on septic, 5,000 of which have municipal water. We are talking about this conversion of having access to municipal water and converting off of the septic system. Can you tell me a little bit about what that looks like in some of those more rural communities where they have community well water and they each have septic systems? What does that look like in this bill?

Andy Belanger:

For those properties that are farther than 400 feet in the rural parts of Clark County, this bill does nothing to them. They will keep their well and they will keep their septic. If they are in the middle of town and they are on a septic, the statutes have been relatively clear for decades that they should have been connecting when they were close enough to the municipal sewer. That has not happened for a variety of reasons. This bill rectifies that within the urban core of the Las Vegas Valley. That is really important because of what Ms. Pellegrino mentioned as it relates to water quality. There are segments where there are a big number of these septic systems and there could be nitrate issues, and there could be other water quality issues associated with that many septics in that small of an area. This bill protects those properties that are on the outskirts of town where water and sewer are not necessarily going to be anywhere close to them in the next decade or two; they are not going to be affected by this bill. They will be able to keep their well and their septic. For those within the urban core, it creates that transition framework.

Colby Pellegrino:

If I could just add, the provisions for connecting to municipal water have always been a farther distance than sewer. The municipal water system is going to be in places that the sewer system is not. You are not going to find the reverse because code has always worked that way, that it is a longer distance to connect to the municipal water system than it is to the sewer system.

Assemblywoman Brown-May:

I want to be clear that we are talking about the urban core. Can we just picture inside the Interstate 215 Beltway around the entire Las Vegas Valley? Is that what we are talking about?

Assemblyman Watts:

Without speaking too much for SNWA, and without having looked at all the maps myself, it kind of depends. There are some areas with that more rural character. It really comes back to the distance and making sure that it is not just dropping a point on the map and drawing a circle. It is understanding where the property's service is terminating into a septic and where is the closest sewer line, and can you draw a 400-foot line to that. There may be some communities even inside that beltway area that you described that still have a more rural character, larger lots that are not connected. Maybe some on the outskirts would fall under the provisions of this, but some that are further inside would not. This is focused on where it

is logistically and cost effectively, and the best bang for our buck now. It is still going to be a mix even within that urban core area, depending on the dynamics of an individual property and on the dynamics of the community as a whole.

Assemblyman Gurr:

I really appreciate what you are trying to do with this bill. My question has more of a real estate focus. Once the program is in place and the property owner starts converting to the new sewer system, how do you envision the disposal of the septic tank on the property? Who will bear the legal and financial liability of decommissioning the septic tank? Will it be the homeowner or the local jurisdictions? If borne by the property owner, will local government hold harmless the property owner?

Andy Belanger:

I think that is up to the health district and their regulations. There are scenarios where you would abandon the septic tank in place and that would be significantly cheaper than requiring the homeowner to remove the septic system in its entirety. I think it will depend on the specific situation in that property. Being able to allow the homeowner to abandon in place is probably going to be the most cost-effective way to do it. As it relates to liability and hold harmless, et cetera, that is a question that I do not have the answer to right here, but I can certainly get back to you on.

Assemblywoman La Rue Hatch:

On page 16 [Exhibit F], talking about those maps and as far as water availability goes, I understand the intention of that. As we are having our governing bodies approve new developments, we want to make sure there is actually water there for those developments. What happens if those governing bodies choose to ignore those maps and do it anyway? Are we just hoping that they will look at this and common sense will prevail, or is there something that mandates that they do not approve if there is no water available?

Assemblyman Watts:

Historically, the state has been a little bit more proactive in terms of the State Engineer, who also reviews when they are looking at subdivision maps to grant. In this case, we are looking at water providers who already manage a water portfolio and are responsible to provide that water service making sure that a similar process is in place. I understand where the question is coming from. There is a lot of history of our moving projects forward without making sure that the resource is there. What I can say now is, particularly with our large water providers, they have publicly transparent 50-year resource plans. I think the place that this provision is coming from one of making sure that we do not ever want to end up in a position where a development has moved forward for which we do not have a sustainable water source identified. That is the purpose of this, and strengthening the language by putting it in here is the goal. The intent is that if the water resource is not there, that map will not be approved.

Assemblywoman La Rue Hatch:

I am looking at section 29 and how it aligns with section 34. Section 29 says that if there is a declared shortage on the Colorado River, then we are going to restrict single-family homes.

Why is that only single-family homes? Also, how does that tie in with section 34 where it says if there is a shortage, you can restrict use in general? Why do we need both of those separate sections?

Assemblyman Watts:

I will start with your first question. One of the things that I want to make sure is known to this body is that we had a discussion about some similar issues in the Legislature and past policy related to domestic wells. We were concerned that domestic wells have a priority date, and we were concerned that in the event a curtailment occurs, folks could lose access to all of the water to their properties. We actually ensured that in such an instance, 0.5 acre-foot of that entitlement to that domestic well would be preserved for those key needs. Could that impact some of their landscape, irrigation and other uses? Yes, but we will always make sure that they have water to drink and for those basic needs. This is similarly modeled and focused on those residential uses with that very specific number we believe is appropriate to meet not just most needs; this exceeds the full needs of most customers within southern Nevada. That has a very specific amount of water tied to it. In the other section, you cannot necessarily do that for a commercial customer because the water needs are so varied. My understanding is that the other provision gives the flexibility to try and adjust down the water footprint of other users. We cannot use the same kind of policy template that we use for residential use, which is a lot easier to wrap your head around and understand what the core needs are.

Andy Belanger:

In addition to everything Assemblyman Watts said, I would note that section 34 also allows for the restriction of water use if emergency conditions exist or if there is a delivery system issue, where you are unable to deliver water. That might be a localized issue that you want to address, or you might have a water system go down in the middle of the summer and you need to restrict water usage in a specific area. It is broader and it gives a little more authority under the conditions that are outlined in that provision.

Assemblywoman La Rue Hatch:

Just to clarify, if one of these other situations happen, such as a localized situation, would it be possible that residential homes could go below that 0.5 acre-foot? Or are you saying that is the baseline, no matter what, we are protecting that, and the other situations are flexible?

Colby Pellegrino:

Most of our customers are below that. Generally, when you look across the rest of the communities that have had to do this sort of thing, you see a mix of general restrictions which, for example, say something like you cannot use water outdoors, or you need to limit your irrigation to one day a week, and then, once you have done that, you still cannot be using more than this amount. This is setting the ceiling for those large property owners; it is not guaranteeing that amount for anyone using less.

Assemblywoman Hansen:

I served on Joint Interim Standing Committee on Natural Resources, and I remember the recommendation, although I have to admit, I do not know that this looks exactly like what I thought was going to be recommended, particularly on the water side. Full disclaimer: we own a plumbing company, and we do septic tanks. We do not do a ton of them, but we will do sewer line connections to the city sewers. To my colleague, Assemblywoman Bilbray-Axelrod, regarding cost, I can give you an outdated cost and we could add for inflation. Washoe County dealt with this issue back in the mid-2000s. There had been a push to convert a section in Spanish Springs for one-acre lots that are on septic tanks to be hooked up. The estimates then were about \$22,000 for the hookup. Moving forward, with inflation, cost of materials, and cost of labor, it is a hefty chunk of change. I am glad to see there is a no less than 50 percent.

I brought this question up with some of the people from SNWA: I understand the intent behind this bill, but I have always had a problem with the jurisdictional issue. I was very transparent about that last session with the turf bill. I get it, but I live in northern Nevada and my water issues are different. We water our lawns, and it will percolate back down. I did not feel like I should be telling southern Nevada people what to do with their turf. You know it better than we do up here.

I feel the same with septic tanks. You have got to sell me on the idea of why you are not at the county commission. So much of the language we are looking at, dealing with these issues, seems to be more of a county issue. Some issues have been explained to me about trying to work with all the different municipalities within the county, but you have got to get me past being uncomfortable telling septic tank and landowners in Clark County what to do from the state.

Assemblyman Watts:

As you mentioned, we are dealing with a lot of different agencies, state and local, and many different municipalities. We are trying to address this at the state level so that we can have a holistic response to this issue and do the coordination across all the bodies, including making sure that we have financial resources from a range of different levels including federal programs, state assessments, and others to do that. I think the only place that we can do that is through state legislation. I understand where you are coming from. When we referred this, it was to focus the water conservation efforts on southern Nevada. That is why so many of the provisions of the bill have been explicitly targeted to only impact southern Nevada and specifically those served by our larger water systems. The pitch that I would make is to follow the direction of your colleagues from southern Nevada when the bill hopefully moves forward. If you see strong support from southern Nevada legislators for the policy, I hope you join us in that.

Assemblywoman Hansen:

We will make a deal; we will do that and then you do that on the rural issues. In looking at section 34, that is talking about the curtailment during a period in which the federal government has declared a water shortage on the Colorado River. Generally, I need to be

educated here. The federal government would declare an emergency, but can the state declare an emergency involving the Colorado River? Is it just federal jurisdiction? I would think sometimes we might think there is an emergency, but the feds do not think so. Can we call that emergency? Would all these things apply where we have curtailment on that upper 20 percent that you mentioned?

Assemblyman Watts:

To provide a little background, when the federal government declares a shortage as referenced in this, there are extremely detailed guidelines for the operation of the Colorado River system. Currently, as Lake Mead reaches certain elevations, through some negotiations, some kind of preshortage levels, we were working to try and conserve and avoid reaching the shortage, and then we hit shortage levels. When the lake's elevation is projected to be at or below certain levels and as it continues to decline, that leads to a shortage declaration and cut in the allocations of Colorado River water to lower basin states. We are currently in a declared shortage. I think SNWA is clear that just because we are, there is not the intent to enact these provisions right now because our water supply is still secure. We want to have the ability, if those levels continue to decline and the lake levels continue to decline, to protect the resource for our community. That is why we are talking about a federal declaration as opposed to the state declaring an emergency related to that. This is related to those very specific elevations set by the Bureau of Reclamation, at which point we have to force conservation among lower basin states on the Colorado River.

Chair Cohen:

Seeing no further questions, I am going to move on to support. Is there anyone wishing to provide testimony in support of Assembly Bill 220?

Danny Thompson, representing International Union of Operating Engineers Local 3; and International Union of Operating Engineers Local 12:

I think the piece that is missing here is return flow credits. Clark County gets 300,000 acrefeet a year as our allocation from the Colorado River that dumps into Lake Mead. That is all we get. Arizona gets over two million. California gets over four million. The only way we survive now is with return flow credits, which is when you use the water in the sewer system or in the sink that is treated and it is put back in the lake. For every gallon we put in, we can take another gallon out. The problem with watering grass or with a septic system that is drawing water off of our allocation, we are not getting that return flow credit. You heard about the elevation of the lake. If the lake falls too low, you are going to see a lot more draconian actions than this because it will not be a matter of wanting to do this, you will be forced to do it by the federal government, if not the other states. We think this is a reasonable approach to protect that 300,000 acre-feet with the return flow credits that we currently survive on.

Kandice Townsend, Government Affairs Specialist, City of North Las Vegas: We are in support of A.B. 220.

Kyle Roerink, Executive Director, Great Basin Water Network:

We support <u>A.B. 220</u>, and I think it is important to put this in context. When we were working on <u>Assembly Bill 356 of the 81st Session</u>, a landmark bill to rip up nonfunctional turf, Lake Mead was 20 feet higher, give or take. A year from now, Lake Mead will likely be 10 feet lower. The question is, What choices do we really have? With this bill, I think what we could likely gain here is thousands of acre-feet and new infrastructure for the community. What is the worst-case scenario? We still get thousands of acre-feet and new infrastructure. Our organization focuses a lot on water policies throughout the West. We look at ordinances and we look at statutes. Utah's legislative session just ended. There is no other statutory construct relating to water conservation quite like Nevada's. I am hoping and assuming this passes. We are really setting the trends. Again, big picture, when we were setting the trend with <u>A.B. 356 of the 81st Session</u>, we saw a ripple effect where Utah, quite frankly, was not that good a couple of years ago, and now we see them stepping up. We see others stepping up. We think this is really important for the health and wellness of the community and the Colorado River.

Jaina Moan, External Affairs Director, The Nature Conservancy:

We are testifying in support of A.B. 220 with the conceptual amendment [Exhibit F] that removes the changes in section 25 from the original bill. Thank you for addressing that. The Nature Conservancy is committed to balancing supplies and demand in the Colorado River, and we applaud SNWA's efforts to do that in the system. Thank you for hearing our comment.

Nicole Rourke, Director, Government and Public Affairs, City of Henderson:

Henderson is committed to smart growth and sustainability considerations. Integrated into the way we do business along with SNWA and our southern Nevada partners, we have been focused on water conservation for more than two decades, allowing us to grow while still Last year, we created our climate response initiative, incorporating using less water. 14 strategies to reduce the city's consumptive water use, ranging from amplified outreach and education of the community, accelerated removal of nonfunctional turf, an expanded incentive program, increased watering compliance, and new regulations. We are specifically focused on reducing wasteful outdoor use by ensuring compliance with watering restrictions and removing nonfunctional turf. As a city, we consumptively used 1.3 billion gallons less water in 2022 than in 2021. The city council recently approved an amendment this month to the code for golf courses to align SNWAs recommendation for the reduction of golf course water budget. We are aligned with SNWA in passing those various regulations. Water conservation efforts are more critical than ever, as we have had many discussions about. We are committed to the standards that will sustain our community for generations to come. Therefore, the city of Henderson supports A.B. 220 and the efforts of SNWA to continue finding ways to further conserve water that allow our communities to thrive. Thank you.

Christi Cabrera-Georgeson, Deputy Director, Nevada Conservation League:

I am here in support of <u>A.B. 220</u>. Recent polling shows that 94 percent of Nevadans think the current water shortage is a problem. While we are grateful for SNWA and the legislator's leadership in implementing strategies like seasonal watering and removing nonfunctional

turf, our work is far from over. With the Colorado River and Lake Mead at historic and dangerously low levels, we need a robust and comprehensive water conservation solution. It is critical that we take action to conserve water whenever possible and we believe this bill does that. We urge the Committee's support.

Isaac Hardy, representing Moapa Valley Water District; and Virgin Valley Water District:

We are in support of <u>A.B. 220</u>. We also want to thank SNWA for agreeing to a friendly amendment which resolves the concerns we had with the bill.

Steve Walker, representing Eureka County:

Eureka County is in support of the intent of <u>A.B. 220</u> and would like to continue a dialogue with SNWA on some of the wording. We also appreciate the inclusion of some of our suggestions within the amendment that we have already provided.

Ashley Garza Kennedy, Principal Management Analyst, Government Affairs, Department of Administrative Services, Clark County:

I just want to say ditto to a lot of my local government colleagues that we are supportive. Our board is very supportive of SNWA's conservation efforts.

K. Neena Laxalt, representing Central Nevada Regional Water Authority:

On behalf of Jeff Fontaine, we too have made suggestions to the original drafting of this bill and those have more or less been addressed. We got the amendment late, and we are looking at it quickly. There is one remaining concern regarding the cost in section 27, where it removes the cost of \$200. We do believe that those costs should go up; however, we think there should be an upper end on that because some of those costs when they are done out in the rurals will be much more expensive than they probably are in the cities.

Zach Bucher, Government Affairs Officer, City of Las Vegas:

The City of Las Vegas is in support of <u>Assembly Bill 220</u>. In fact, the City of Las Vegas, in our 2050 master plan, is doing a lot of things that are in this bill. We also have a draft ordinance at the city that addresses some of these things as well. We appreciate the presentation today and confirmation on the record that local governments will maintain its planning and zoning responsibilities.

Patrick Donnelly, Nevada State Director, Center for Biological Diversity:

We are in support of <u>A.B. 220</u>. It was pointed out that the last session's turf removal bill really sparked a tidal wave of interest in the use of turf in the desert. Right now, with the Colorado River declining, the world is watching what Nevada is going to do, how the driest state in the country is going to respond to a crisis in our water supply. This bill takes very important steps toward addressing that crisis. I think it could provide a pattern, a role model function for the rest of the Colorado River Basin.

Chair Cohen:

Is there anyone else in support in Carson City? Seeing no one, is there anyone in support in Las Vegas or Elko? Seeing no one, is there anyone on the phone?

Mary Beth Sewald, President and CEO, Vegas Chamber:

The Vegas Chamber is in support of Assembly Bill 220 because it effectively balances conservation efforts and water resource needs in southern Nevada. This bill also allows for sustainable growth and economic development efforts to continue in our community. The Chamber has been a longtime proponent of conservation efforts spearheaded by SNWA. Sound and balanced water policy is critical to all southern Nevada residents and businesses, and water management affects all components of the economy. It is also essential to community stability and preserving the environment. We believe that this bill is necessary as we enter the twenty-third year of drought management along the Colorado River. As you have heard today, this comprehensive water bill addresses issues related to the use of septic tanks, the adoption of WaterSMART standards, new construction, groundwater management, administration of wells, irrigation of nonfunctional turf, the participation in a water efficiency monitoring program, and emergency powers that may be used by Southern Nevada Water Authority Board of Directors and General Manager. We are also in support of the conceptual amendment that provides for additional oversight and accountability with the use of the emergency powers. Thank you so much for your time and consideration and supporting Assembly Bill 220.

[Exhibit G was submitted but not discussed.]

Chair Cohen:

Are there any more callers wishing to provide testimony in support? Hearing no one, do we have anyone in opposition in Carson City? Seeing no one, is there anyone in Las Vegas in opposition?

Brigitte Solvie, Private Citizen, Clark County, Nevada:

I live in Clark County in the rural area considered a rural neighborhood preservation area. I represent a number of homeowners who are very concerned about the prospect of losing their private domestic well with the State Engineer given more latitude to revoke our permits. I have questions from my neighbors regarding those who have water rights that they have taken the time and legal effort to purchase. How will this affect their private domestic wells? Further, I have questions and concerns regarding the viability of transitioning an existing septic on a large parcel of property. Several homeowners who built out here in these rural areas designed their septics with the lay of the land. It is very reasonable that some of the septics are to the rear of the property and not near a street. To do a conversion would require a complete change of how the land works and the positive or negative flow of sewage down the pipe to get to a connection point in the street. Some of those properties need to be considered. I have real concerns about the fact that, again, a private domestic well could be forfeited and required to be abandoned and plugged because you removed the language that requires a rig to come on property as the trigger. If our wells need certain kinds of repair and maintenance and a rig is put on the property, permits are pulled and that raises the flag that

maybe further checking would need to be done. I believe that language needs to remain in this bill. I am completely respectful of the fact that our area is in a severe drought situation, but it is notable that those of us on wells do not currently draw from the Colorado River. We draw from natural aquifers. The SNWA and several others are building very large quantity holding tank reservoirs and they are drawing water from the natural aquifers just like we are, therefore depleting a greater use than what I would ever use. I am in opposition to the bill. I think several points of the language need to be altered and address specifically some of these concerns.

Kathleen Meehan, Private Citizen, Las Vegas, Nevada:

I live in the county area of Las Vegas. In my neighborhood, everyone is pretty much on a fixed income; they are retired. I know that you are going to try to help with 50 percent, but you have to consider some of these people who live in these areas and have septic tanks—it is going to be pretty hard for them to come up with the money, including myself. I will say I have been on a septic tank pretty much my whole life. We conserve probably more on our water usage because we are on a septic tank. As a child, we had a sign in the bathroom—mom wrote it up: If it is yellow, let it mellow. If it is brown, flush it down. We are trying to conserve as much as we can. I understand we are in a drought and we have to conserve, but I think you have to have consideration for these older people on a fixed income who are no way going to have the money to get that done.

Ed Borelli, Private Citizen, Las Vegas, Nevada:

I have had a septic tank for 15 years now and it does not cost me one dime to flush to use the septic tank. If the septic tank was gone, all of these people you are referring to would now have a sewer bill. I have not had a sewer bill in a while, but I am sure it is pretty high. Not only at the cost of attaching to the sewer system, removing your septic tank, which may or may not happen, there is the cost of the monthly bill of being attached to the sewer system that a lot of folks would have to incur. At your 50 percent to help people, I am sure there is going to be some kind of waiver for those who might have a little extra money they have been saving for something other than replacing their sewer system. The Assemblywoman stated that 20 years ago, it was \$22,000 to do a septic tank. Now, I am hearing estimates of \$37,000 to \$40,000. That 50 percent is still requiring the average homeowner who has a septic tank digging in their pocket for \$20,000. That does not seem right. As far as the wells go, some of us prefer to be on a nonfluoridated water supply system, as opposed to the heavily fluoridated water system that southern Nevada provides. We get fresh, cold drinking water from deep inside the earth, and now you are going to force us to take heavily fluoridated water from a southern Nevada water source and basically force that upon people who might have chosen their home because it had a septic tank and well water. I think it is a heavy-handed position of Nevada to force this upon 15,000 homes. Is it going to really save us that much water in the long run, or are you guys just trying to get a cookie in your jar? I wholeheartedly understand that we are running out of water in southern Nevada. Maybe we should stop building new homes. You go around the outskirts of town, everywhere there are new housing developments, yet we are fighting for water. We allow these new homes to be built and then we put restrictions upon the people who already live here and have homes. It is not right. It is not fair. It should be rethought.

Michele Tombari, Private Citizen, Las Vegas, Nevada:

I oppose A.B. 220. I am a homeowner in Clark County with a well-maintained septic system that I love. Clark County oversaw the installation and permitted our septic. Homeowners have paid for these systems that were approved by Clark County. To force us to switch to sewer comes at an unrealistic cost. Recently, a neighbor paid \$37,000 to switch, and he now has yet another monthly bill to pay. This is too much of a burden for these targeted homeowners. If you want us to change what was already approved and we have already paid for, you need to pay 100 percent to have this change done. Some other points to consider are that untreated sewage frequently makes it is way into rivers, streets, and other bodies of water. This is avoided with septic systems. Also, private septic systems do not use harsh chemicals that wastewater treatment plants do. Instead, the wastewater is filtered naturally Finally, septic systems require far less infrastructure than city sewers. They do not use the energy that municipal treatment plants need. I hope you will oppose A.B. 220 or at the very least, find the money to fund 100 percent of the changes that you want because homeowners should not be forced to pay for these changes.

Sarah Patton, Private Citizen, Las Vegas, Nevada:

I have property, about a half-acre, and we have two septic tanks. My concern is the cost; it is huge. We are looking at two septic tanks because we have a casita in the back. I am all for conserving water. Like I said, I live on about a half-acre, and everything is on a drip system. We also have a pool. My concern is for a single-family home, you need to take into consideration how many adults and family members live in this home. Because of the economy, we have grown children who are currently living with us, which is more water use. We are conserving water, we check our drippers, making sure everything is working properly. The biggest thing I would say right now, with the two septic tanks, is the cost. We have air-conditioning units that we need to upgrade. We want to start saving for solar because everything is going up at an alarming rate. This cost is not something that we can afford.

David Grant, Private Citizen, Las Vegas, Nevada:

I am opposed to this bill as a septic owner. It does feel like we are being held hostage to a certain degree, being forced to convert, even with the help from the feds. If they could go 100 percent, that would definitely be nice. I do not see that happening. I am going to allude to what Mr. Borelli said earlier. It feels like a double standard with these vacant lots turning into subdivisions and apartment buildings, and there is no end in sight. The growth still continues. The ring of growth around the city which they tried to implement, that got shot down. It is too bad that did not hold up. I know this drought affects all of us, and as a septic owner, I just wish there was a different avenue.

Chair Cohen:

Is there anyone else in Las Vegas or Elko to testify in opposition? Seeing no one, is there anyone on the phone?

Cyrus Hojjaty, Private Citizen, Las Vegas, Nevada:

I oppose this bill for a number of reasons. Ditto the comments made before that there are a lot of aspects that could use water conservation. I believe this is really picking and choosing. The first obvious reason is that there are no efforts as far as I know to go after casinos. It is always the little guy that gets all the push. Not to mention, we always talk about how there is a lack of water. I have seen reports that the lower end of the Colorado River towards Mexico is just overflowing. Maybe we should look into things like that. A lot of these lower water levels is because California is taking a larger supply of the Colorado River. Not to mention this as a state—because we always bring up climate change—that has done a lot of climate change policies. By the way, if you really want to take climate action, you can extend the monorail to the airport. If water conservation is such a concern, why are we not halting immigration? More population means more people. We had a 2002 conservation effort. Are there any updates on that? What is going on? Referring to the previous comments about new development, I do believe we should have new development. It increases the supply of housing we need. Construction is still below all-time highs. However, it is this type of development that I am very concerned about. You have a lot of common area landscape areas, which I think are wasteful, that are maintained by homeowners' associations, especially golf courses, swimming pools, and so forth, not to mention a lot of commercial areas. I think a lot of new developments can really be water-efficient. They plant so many trees. It is kind of ironic, we are having another meeting that is going on talking about planting trees. But then we are talking about water conservation. It depends on the trees we plant, but certainly we do not need to make the area look like forests. Have a water conservation plan that meets all sides.

Joseph Demonte, Private Citizen:

My major concern with this bill, besides several other smaller concerns, is in section 29, which states, "the Board of Directors may limit . . . ," which essentially means possibly cut off a single-family residence to 0.5 acre-foot of water per year. There is no mention in this bill of the number of people in the homes, the number of animals, even seasonal family members who stay in Las Vegas, or pools and landscaping. This is an arbitrary number that is historically based on three people per unit. Single-family residence itself is not defined. Less than half of the homes in Las Vegas are actual single-family residences, and more than half of the Las Vegas population lives in apartments and other multifamily units. Furthermore, there are no restrictions in this bill on the enforcement action that the local boards can take or the fines or rate increases that can be imposed up to and including termination of water services if more than 0.5 acre-foot is used. Homeowners will be discriminated against with this bill as there is no mention of apartments or hotels and their usages. Thank you very much for your time. If this bill is to go forward, the specific sections of the 0.5 acre-foot need to be adjusted to not discriminate against households as mine that have upwards of six people in it.

Ms. Ojeda, Private Citizen, Las Vegas, Nevada:

I live on the border of Interstate 215 and, like many of my neighbors up here, this is going to greatly affect us. Like people have mentioned before, we have already paid for our wells and our septic system. Those were built into our mortgages when we built our home. None of

those utilities and services were up here. We did not have a choice to pay for those. Not only are we going to have to pay the large burden of costs that we are still paying for in our mortgage, but we are also getting double-charged for these services. The problem is that none of your bill sponsors know how much it is going to cost. Tens of thousands of dollars is what they say. They still do not have any definitive answers for us. Not only that, but they are not taking into consideration that they are going to have to tear up our property, whether they have to cut through our driveways or tear up our yards to get to the septics and the wells. Those are huge additional costs that are going to be burdened on us. We are retired, just like many of the people up here. People seem to think that because we live up here on these properties that we are wealthy. We have owned this land for over 30 years. We are not wealthy. We do not have the money to pay for these, especially when we have already paid for them the first time when we did not have a choice. Now somebody wants to come in and take that away from us, and we are going to bear the burden of the cost is just not fair, and it is not acceptable. There should be some other way for those of us who have already paid for these services to be allowed to continue to use them and maybe be grandfathered in and not allow any more.

Vicki Skilbred, Private Citizen, Las Vegas, Nevada:

Overall, I support conservation. I replaced all my turf with low-water-using plants. I just recently spent \$30,000 to put in solar. I have an electric vehicle. I support overall good management. But I have questions. First of all, we have heard in the two hearings that there are 19,000 homes involved and then 15,000 homes involved. In two working days I found out about this bill. I have tried to determine where the sewer line would be for both me and my sister, who also lives in a county island on a half an acre with a septic tank and have not been able to determine that. I have questions about last hearing's comments about how much water has been stored in the aguifer and even as far as Arizona. It seems to me, as I understand water credits, that we are actually generating more water credits than we are allowed to put into the lake because of the existing contract. I have some questions about that. I am also confused about the timeline. This is the first time I have ever heard that we had to replace our septic tanks as soon as we come within 400 feet of sewer line. I have always been told that it was as soon as the septic tank went sour, I could not replace it and I would have to hook up. That is why I take very good care of my septic tank. I still have questions about the financing method. Is it going to be an FID? Is it going to be a program? Is it going to be 50 percent up to 100 percent? How will we know? Needless to say, I appreciate the comments made earlier about notification, especially Assembly Bill 19. I have so many questions. Is there going to be another hearing or how will I be able to get information and answers to my questions?

Chair Cohen:

You can send your questions to the Committee.

Christian Salmon, Private Citizen, Las Vegas, Nevada:

I oppose <u>A.B. 220</u>. This is not about well water that is used, gets deposited into septic systems, and therefore refreshes the water table for later use. Effectively, this is the same as municipality water that is used in and put into the sewer system, which is deposited into Lake

Mead. Lake Mead's level is not the issue that is constantly shown on TV. It is not about optics; this is about a real discussion. Even though the SNWA says that we are not paying our fair share, we are. We do pay our fair share when we have a water well, we have electric bills, repairs, and such. When we use more, we pay more. That is an incentive for us not to pay more and to conserve; we all do. Three years ago, I paid \$24,000 in a repair. Last year I paid \$20,000 in upgrades. These are real bills. We feel we are being routed. Water processing through the municipality water system is simply not healthy. With tests of recycled water, we are seeing disease, prescription drugs, and other items that should not be in our water supply present in the water. This burden is not fair to the taxpayer as well. Why should we all pay for this? This simply is not needed. I like to make the point that most of the people presenting such as Danny Thompson, municipality, water services, sewer service agencies, and other paid lobbyists stand to make huge revenues from the conversion of independent water wells and sewer services.

Chair Cohen:

Sir, please testify to the bill. It is not acceptable to attack the ethics and character of people who have otherwise testified in this matter.

Christian Salmon:

I am just stating the obvious. This bill does not address a new development. Why is that? If it is really about conserving, then why are we not addressing that as well? The last thing I would like to mention is that I have heard geologists state that we do not have a water problem, and we have credits that are constantly being credited back for years and decades. We are well ahead of the game. Even the head of SNWA has said as much, that even with sustained development, continuing forward, that we have plenty of water and this is not even an issue. Thank you very much.

Jennifer Carr, P.E., Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources:

I appreciate the opportunity to provide testimony on <u>Assembly Bill 220</u>, and I am here this afternoon to testify solely on sections 3 through 5. The Division of Environmental Protection (NDEP) has significant concerns with the bill as written and continues to work with the proponents of the bill on amended language [Exhibit F] because it is not quite there yet.

Unlike much of this bill, sections 3 through 5 apply to the entire state, and these policy changes put homeowners at risk. Sections 3 through 5 are part of 7 total sections existing in NRS that all work together and have been in place since 1991. Combined, the seven sections protect homeowners from a developer who creates a new privately owned public water system, completes the development, and moves on, leaving behind a water utility that should be sustainable, but sometimes it is not. *Nevada Revised Statutes* prohibits NDEP from issuing a permit to a new, privately owned water system until the local governing body assumes responsibility upfront in the event of default.

These provisions of law ensure that the public entity is accountable for maintaining a safe and reliable supply for the impacted community; for providing public health protection

through proper operation and maintenance of the system; and to make sure Nevada homeowners have a predictable and predefined solution if NDEP determines and declares that a water system owner has defaulted on their permit responsibilities. Additionally, these provisions allow swift actions which prevent potentially yearslong enforcement and legal receivership proceedings in district courts that occur without these provisions in place. Such long drawn-out solutions occurred prior to the lobbying put in place in 1991 and still occur today for the pre-1991 systems. These provisions are needed to safeguard, and they should not be struck as proposed by <u>A.B. 220</u>.

Key discussions in the legislative history documentation for <u>Senate Bill 172 of the 66th Session</u>, and also referencing <u>Senate Concurrent Resolution 24 of the 65th Session</u> reinforce that we should not undo these provisions.

In Douglas County, water systems known as Cave Rock, Skyland, Zephyr Cove, Sheridan Acres, and Jobs Peak were taken over along the way for various reasons. In the last decade additional systems have defaulted because they were pre-1991, and the current law was not in effect. This is still real, but the existing NRS helps to combat these problems.

These laws have created an engaged process for constructing sustainable systems while allowing homeowners assurances that the basic needs for safe drinking water will be provided. [Written testimony was also provided, <u>Exhibit H.</u>]

[Exhibit I and Exhibit J were submitted but not discussed.]

Chair Cohen:

Seeing no further opposition, I am going to go to those in neutral.

Leo Drozdoff, representing Truckee Meadows Water Authority:

We are testifying in neutral today because <u>A.B. 220</u>, in large part, does not pertain to our jurisdiction. With that said, we do want the Committee to know that we have had excellent communication and collaboration with SNWA during the interim regarding their legislative plans for <u>A.B. 220</u>. As always, they were forthcoming about their needs and rationale for changes. We appreciate their approach associated with <u>A.B. 220</u>, including the conceptual amendment.

Bradley Mayer, representing Southern Nevada Health District:

We have been working with SNWA for quite some time on this particular bill. I want to thank them for those efforts as we continue to work to do our part on this important issue. We are working through the finer points of the amendment. We will continue to do so before a work session on this item. I would like to offer up Robert Fyda, who is the subject matter expert from the health district who is also on the phone in neutral, if anybody feels like there are any clarifying points you would like him to make.

Adam Sullivan, P.E., State Engineer and Administrator, Division of Water Resources, State Department of Conservation and Natural Resources:

I am here to testify neutral on this bill, specifically with regard to the elements of the bill that direct actions by the Office of the State Engineer. We do recognize the benefits of this bill for water conservation and the importance of water conservation in southern Nevada. The bill as proposed is something that we could carry out as an agency, I am specifically referring to section 26, if this does become law. With regard to the proposed amendment [Exhibit F], similarly, we would be able to carry it out. There are a few elements of clarity that we would want to work with SNWA regarding the dates for effective implementation and the requirement for the State Engineer to adopt regulations as well as adding some clarity to defining designated basins and citing the appropriate statutory provision for that. significant component for the Division of Water Resources would be the requirement to adopt regulations with regard to revocable permits to hook up to the municipal supply. This could be a significant effort on our part because it does affect a lot of people. Again, it is doable, but it is not within the ordinary course of business for our office. My last point is that I would like to support what SNWA was describing when talking about temporary permits. The reason for this is there are so many different definitions of "temporary" in water law. This is specifically referring to revocable rights that were issued, as Mr. Belanger described, that only applies to the Las Vegas Basin, and there are no implications for other temporary rights elsewhere in the state.

Chair Cohen:

Is there anyone else in neutral? Seeing no one, is there anyone on the phone in neutral?

Aodhan Downey, representing Nevada REALTORS:

I am here to testify in neutral to <u>A.B. 220</u>. The Realtors would like to thank SNWA for working with us on amendments to the bill. Water conservation is important to our members, clients, and the future of Nevada. We appreciate the continued conversation to further address our concerns of the program to fund not less than 50 percent of the conversion. The Realtors would like to see the threshold increase to 85 percent to ensure homeowners are able to financially participate and connect to the sewer system. Anything below that could be a financial burden to those that can least afford it, especially seniors, people with disabilities, and first-time homebuyers.

Robert Fyda, Supervisor, Individual Sewage Disposal Systems, Legionella and Safe Drinking Water, Southern Nevada Health District:

I am the subject matter expert, and I am here to answer any questions that the Committee may have.

Chair Cohen:

I do not think we have any questions. Thank you. Is there anyone else on the phone in neutral? Hearing no one, would the presenters like to make closing statements? Seeing none, I will close the hearing on <u>Assembly Bill 220</u>. I will now open the hearing on <u>Assembly Bill 221</u>.

Assembly Bill 221: Authorizes the management of designated terrestrial invertebrates. (BDR 45-339)

Assemblyman Howard Watts, Assembly District No. 15:

It is my pleasure to also present Assembly Bill 221 for your consideration today. This is another bill that was recommended out of the Joint Interim Standing Committee on Natural Resources based on conversations that happened in the interim. It was realized that insect populations actually fall into a loophole where they are not defined as wildlife within our state. As you will hear, that does not make them any less critical to our biodiversity, our habitat, and general web of wildlife. There have also been times when we have needed to protect and manage those species. Assembly Bill 221 seeks to correct this oversight and give our Department of Wildlife, which already manages all the other wildlife species within our state, the ability to manage insects as well. This is about authority; it does not require any specific actions. We are tying it to our State Wildlife Action Plan which has been conducted by the Department to identify species in need of some potential conservation action. All this does is allow our wildlife managers, if they see fit, to be able to take actions to protect those species. Ultimately, just to be clear, we want to prevent species from being listed as endangered because that comes with a whole host of other cascading consequences. Once that happens, our state agencies are going to have to do a whole host of things along with private entities in order to protect those species. What A.B. 221 is seeking to do is get ahead of the game. When there is a potential issue identified, do work to stabilize and protect those populations so that we avoid the consequences that come with potential Endangered Species Act listing. With that, I will turn it over to my copresenters. We have a very brief presentation, and then we will be glad to answer any questions that the Committee may have.

Matt Forister, Private Citizen, Reno, Nevada

I am a professor of biology at the University of Nevada, Reno (UNR), and I am speaking on my own behalf, not as a representative of the university. The insects of Nevada are a rich and varied part of the natural resources of our state. They are, in fact, the most diverse kind of wildlife. Just in Nevada, there are over 1,000 species of bees, over 200 species of butterflies, and thousands of other important, different kinds of insects. These animals are found everywhere: farms, ranches, cities, mountains, and towns [page 1, Exhibit K].

Butterflies, bees, and other insects are the glue that hold together healthy environments. They pollinate crops and wild plants, they are food for birds and fish, they improve soil and clean up plant and animal waste through natural decomposition. One study found that insects are worth \$70 billion each year to the U.S. economy because of all those free natural services that they provide [page 2].

However, a 2021 scientific paper in the *Proceedings of the National Academy of Sciences* found that insect populations globally are decreasing around 1 percent to 2 percent per year. That might sound like a small number, but that that is a compounding loss. A 2 percent decline over 20 years amounts to about a 30 percent loss in total abundance of insects. This means fewer insects to pollinate crops and wild plants, fewer insects for birds and fish to eat, and a reduction in all of the other services that benefit humans and the planet [page 3].

You might be familiar with monarch butterflies shown in the upper left on page 3. In fact, if you grew up in Reno, you might have had an elementary school teacher who went out and brought in local monarch caterpillars to rear in the classroom. That is not happening anymore because the western population of monarchs has declined by over 90 percent in recent decades. You see that in the graph on the left [page 4]. Many other pollinators in Nevada, including the western bumblebee, are in a similar position. My lab at UNR published a study recently in the journal *Science* documenting a decline in the abundance of butterflies in the western U.S. of around 25 percent over recent decades as shown in the graph on the right which is specific to Nevada. This is about a 1.6 percent annual decline, which is unfortunately consistent with findings from other parts of the world. This is not good news for healthy ecosystems in our region. The good news is that we are here today talking about this important bill. There is support among Nevadans for positive change. To say more about that, I will turn it over to my colleague, Kevin Burls.

Kevin Burls, Biologist, Endangered Species Conservation, Xerces Society for Invertebrate Conservation:

Nevadans strongly support conserving pollinators in the face of insect declines across the West, with over three-quarters of respondents from the state recognizing pollinator loss as a serious problem in a 2020 poll [page 5, Exhibit K]. This means Nevadans recognize that insect decline is an issue that affects us all and that we need to use every tool available to us to protect our state's most vulnerable bees, butterflies, and other insects. Unfortunately, current Nevada Revised Statutes (NRS) do not define invertebrates as wildlife as it does mammals, birds, reptiles, and other vertebrate species. This means that the Department of Wildlife does not have regulatory or management authority to help conserve insects we know are in steep decline, such as the monarch seen here on the right [page 6]. The Department is unable to act to help these species recover, leaving them at risk of needing federal protection under the Endangered Species Act to prevent their extinction. Assembly Bill 221 as amended [Exhibit L] would define nonpest invertebrate wildlife species of greatest conservation need as wildlife under NRS, allowing the Department of Wildlife to work to conserve and restore declining insect species such as the monarch butterfly or other vulnerable insects, including the pallid small wooden butterfly on the top right, or the western bumblebee on the bottom right [page 7]. This bill specifically gives the Department the ability to manage species that appear on its list of species of greatest conservation need within the State Wildlife Action Plan. There are currently 66 species of bees and butterflies on this list which can be revised by the Department of Wildlife. Conservation actions by the Department of Wildlife can effectively recover vulnerable wildlife populations, reducing the need to list these species under the Endangered Species Act.

Because the Department of Wildlife controls wildlife permits and fees for wildlife management, this bill does require a two-thirds vote in the Assembly and Senate [page 8]. However, this bill does not impose permitting on invertebrates and does not impose fees on agriculture or other activities. It also does not designate any endangered species or institute any new provisions or protections for invertebrates. This bill simply allows the Department of Wildlife to act to conserve insects that appear on their list of species of greatest conservation need, including the Morrison bumblebee on the top and the large marble

butterfly on the bottom right. These insects share many things in common with the monarch butterfly. They both have large western ranges that include Nevada, and both are in steep decline and may be in danger of extinction if these declines continue. That is why we ask you today to recognize the importance of Nevada's insects and vote in favor of <u>A.B. 221</u> as amended, allowing the Department of Wildlife to conserve and restore nonpest invertebrates, wildlife species of greatest conservation need across the state. I will just mention that on Nevada Electronic Legislative Information System, you can also find a letter of support from over 140 scientists including many in Nevada, highlighting the broad support for this issue [Exhibit M]. Thank you very much, and we will take any questions.

Assemblyman Watts:

I will direct members' attention to the conceptual amendment that is proposed because it relates to the entirety of the bill [Exhibit L]. We are removing the word "terrestrial" when describing invertebrates throughout the bill. That provides the Department of Wildlife (NDOW) with the full flexibility to manage any invertebrate that is threatened or identified as a species of greatest conservation need. There are no aquatic invertebrates currently included in this categorization in the State Wildlife Action Plan, but they could be in the future. We want to make sure that we have got it broad enough to cover that, if it is something that comes up moving forward.

Going to the text of the bill, the amended section 2 will now define a "designated invertebrate" that is a nonpest species. There are pest insects, which are managed by the State Department of Agriculture because of the impacts that they have as pests. Pest species are not included under this definition. Under this definition, it has to be an invertebrate and be designated as a species of greatest conservation need in the State Wildlife Action Plan. The goal is that this is not managing every single insect that is out there in the state. It is identifying those linked to other habitat issues that are probably affecting some other species, or that have seen really significant declines that we want to get out in front of and make sure that we are doing something to try and stabilize those populations.

Section 3 defines what the State Wildlife Action Plan is. It is actually approved by the U.S. Fish and Wildlife Service, and it lays out the state's wildlife conservation plan. This is something that, in its most recent update, invertebrate insects have been added to for the first time. We are trying to make sure that the rest of our policies are aligned with that. The rest of the bill makes conforming changes throughout statute to make sure that this new inclusive definition of wildlife is included.

Additionally, to provide a little bit of background on the two-thirds that is on this bill, NRS 503.585 provides that any animal declared to be threatened would be placed on the list of fully protected species and that in order to then capture, remove, or impact those species, a permit would have to be issued and that the Department must charge a fee that is not to exceed the highest fee established for any other special permit set by the Commission. Because of that triggering where if there was ever a permit, there must be a fee charged, that is what generates the two-thirds. That is not envisioned right now, but because that is a potential outcome, that is one of the reasons the two-thirds is on there.

Additionally, NRS 502.240 provides authority for NDOW to generally charge fees for licenses relating to wildlife. I would say it is extremely unlikely that there is ever going to be an insect-related license. Since we are changing the definition of what could fall into that category, it potentially opens up the things that these "revenue generators" fall into, which is why there is the two-thirds on the bill. I just wanted to make it clear at the outset and also make it clear that there is no intent or plan to do these things, but this is how the legal interpretation goes if there is any potential increased revenue generation of a policy. Thank you very much for your time.

Assemblyman DeLong:

My takeaway from this is insects are already in the state plan. The state plan already exists. I do not see the reason for this bill. Can you elucidate?

Assemblyman Watts:

I think the Department of Wildlife will be here to testify in neutral and perhaps they would be able to provide some additional background on this. Our understanding is that under current state statute, their ability to actually manage these species is quite limited. In the event that a species gets designated, then they may be involved. We are trying to get in front of that and ensure that we can manage these populations to avoid the point where they have been designated as threatened with extinction. That is one of the key things that we are trying to do. At the end of the day, it does not put in a requirement. The Department has a wide amount of autonomy and latitude to decide what, if anything, they want to do to conserve the species. We just want to make sure that they have those tools in their toolbox. Our understanding is that the current state statute does not make that clear that they or any other agency has the ability to take these proactive actions. Even though they are in the State Wildlife Action Plan, which is essentially a recognition that they are in need of conservation action, but when it comes to actually taking the action, we believe they do not currently have statutory authority to do so.

Assemblywoman Anderson:

Thank you for being forward-thinking and basically bringing forward the circle of life. My question has to do with section 3, in particular the State Wildlife Action Plan. I am not sure if you are going to have this information or if it is something that will need to be asked later, how often is that updated? If this new language were to go through, would there be a need for updates to the plan that would be filed with the federal government?

Assemblyman Watts:

I will defer to the Department to provide some updates around their process and timeline. I believe the State Wildlife Action Plan has just been updated, and the intent of this bill is to not require any further changes. There have already been insect species identified within the latest version of the plan for the first time. This bill is not to impact any of that. The State Wildlife Action Plan is a high level of what we have, and what is in need of some support in our state. Also, more detailed management actions programs are all determined by the Department on an ongoing basis and at a more detailed level than the action plan, which is

high level. We do not envision this requiring any changes to the State Wildlife Action Plan, in fact, as I indicated before, I think the latest version of it helps point to the importance of aligning the statutory authority.

Assemblywoman Hansen:

If this bill were to pass, how will it be staffed? We know we have big game biologists for bear, and we have different subcategories within NDOW to manage different populations of wildlife. Will we have an invertebrate biologist who is going to manage this? You mentioned the two-thirds out of fees. Is that how they are going to pay for somebody?

Assemblyman Watts:

I think it would be appropriate for the Department of Wildlife to add an entomologist to their staff to be able to dig in on some of these issues and explore potential management actions for these species. As far as how that would be funded, I do not think it is through licensing the hunting of butterflies. The other piece around the designation of species and permits for them being taken, that is an extremely narrow, very rarely, if ever, triggered piece of statute. It would come down to NDOW's existing revenue streams, basically, which is overwhelmingly sportsmen-funded. That funding supports conservation of all the different wildlife species, both game and nongame across our state, as well as a bit of State General Fund and, critically, very substantial federal matching dollars.

Chair Cohen:

I see that the State Wildlife Action Plan has to be approved by the U.S. Fish and Wildlife Service. When our state makes pacts with other states, such as California, having to do with wildlife at Lake Tahoe, the State Wildlife Action Plan would always fall below those pacts in terms of ranking and is subject to what we have done with the federal government and with other states. Is that correct?

Assemblyman Watts:

Yes, in general, much of the federal policy supersedes. One of the core things that we are trying to do is avoid triggering the federal policy known as the Endangered Species Act by getting out in front on the conservation of these species. As for the State Wildlife Action Plan, this is a framework that has been adopted across states and involves the U.S. Fish and Wildlife Service. At the end of the day, it is within a certain framework that is the state's plan and the state's evaluation of the different wildlife that may be in need of conservation action.

Chair Cohen:

Seeing no more questions, I will open it up for those wishing to provide testimony in support of A.B. 221.

Patrick Donnelly, Nevada State Director, Center for Biological Diversity

We support this bill for lots of reasons that I will not tire you with because they have already been given in the presentation. I just want to highlight a couple of elements about the bill, especially what it does not do. This bill is not an endangered species listing for these species

of greatest conservation need. It is simply giving NDOW the tools to manage those species and, as was pointed out, ideally to prevent the need for federal endangered species listings. In many cases, my organization pursues endangered species listings for species, but that is the last resort. The first resort should be state management of those species because the tools are there, we just need to give NDOW the ability to use those tools. Another thing this bill does not do is provide an avenue for litigation. There are no new powers of litigation brought forward by this bill. There are no ways that this would bring forward more litigation. It is simply giving NDOW management authority. It does not alter any of that in statute. In conclusion, we would urge you to support this bill. Thank you.

Christi Cabrera-Georgeson, Deputy Director, Nevada Conservation League:

We support A.B. 221. Insects are critical to the health of our ecosystems. We think we should give NDOW the tools to manage these species and we urge your support. Thank you.

Jaina Moan, External Affairs Director, The Nature Conservancy:

We are testifying in support of <u>A.B. 221</u>. We also believe that invertebrates are a critical part of ecosystems and they are integral to food webs. The Nature Conservancy supports the amendment to remove the word terrestrial from the bill language so that all invertebrates are covered. Invertebrate diversity is threatened by climate change and loss of habitat. A comprehensive wildlife management plan should include invertebrates. We support NDOW having the authority to manage invertebrates as part of the State Wildlife Action Plan. Thank you for considering our support. [Also provided a letter in support, <u>Exhibit N.</u>]

Chair Cohen:

Is there anyone else in support in Carson City, Las Vegas, or Elko? Seeing no one, is there anyone on the phone?

Bari Levinson, Member, Toiyabe Chapter, Sierra Club:

On behalf of the Sierra Club and our more than 30,000 members and supporters statewide, we enthusiastically support A.B. 221. We are pleased to see that the Nevada Legislature has the opportunity to recognize the importance of invertebrates to us and to all the creatures with whom we share our state. Assembly Bill 221 will expand the wildlife managed by NDOW to include all invertebrates. This will allow them to work to conserve butterflies, bees, and other important insect species. As you have heard, we tend to ignore invertebrates, but they are essential to the web of life. Terrestrial invertebrates play an essential role in soil health, plant pollination, and as a food supply for countless bird, reptile, and mammal species. Some insects provide benefit by feeding on pest insects, such as ladybugs eating aphids. The monarch butterfly has become a symbol of our changing climate and human impact on ecosystems and would be heartbreaking to lose. Assembly Bill 221 will allow NDOW to manage important insect species in order to preserve them and the web of life that they support. For these reasons we urge you to support A.B. 221. [A written letter was also provided, Exhibit O.] Thank you.

Kassandra Lisenbee, Outreach and Program Coordinator, Great Basin Resource Watch:

We are here to support A.B. 221. We all realize the essential role that pollinators play for healthy ecosystems as well as economies through agricultural service benefits. We urge you to support this bill to give NDOW the protections and the ability to protect this critical species and invertebrates. Thank you so much.

David McNinch, Commissioner, Board of Wildlife Commissioners, Department of Wildlife:

We did vote to support A.B. 221 with the conceptual amendment. The Board of Wildlife Commissioners is aware of the fiscal note. We continue with our support, and I am hopeful that when you hear the testimony from NDOW regarding the State Wildlife Action Plan and how invertebrate management conservation fits into that, it will alleviate many of your concerns. I appreciate your allowing me to testify. Thank you.

[Also provided but not discussed are <u>Exhibit P</u>, <u>Exhibit Q</u>, <u>Exhibit R</u>, and <u>Exhibit S</u>.]

Chair Cohen:

Hearing no further callers, I will move to opposition. Is there anyone wishing to testify in opposition in Carson City, Las Vegas, or Elko? Seeing no one, is there anyone on the phone? Hearing no one, I will go to neutral in Carson City.

Alan Jenne, Director, Department of Wildlife:

We were not prepared to provide testimony. We are here to answer questions, and we missed that opportunity. I apologize for that confusion, but we stand for any questions.

Assemblywoman Anderson:

If this were to pass, would we need to redo the State Wildlife Action Plan and refile it, or would we be able to make this part of it? How would we handle that when it comes to the State Wildlife Action Plan?

Alan Jenne:

I am actually going to ask Ms. Newmark to answer that question.

Jen Newmark, Administrator of Wildlife Diversity, Department of Wildlife:

The State Wildlife Action Plan was just revised in September 2022. It is currently awaiting approval from the U.S. Fish and Wildlife Service. There are eight required elements that go into that plan, and they are reviewing the plan to ensure that the state met all of those requirements. As already mentioned before, we did add 66 species of invertebrates to our species of greatest conservation need. There will be no revision required after this bill, should it pass.

Assemblywoman Anderson:

Is there any sort of financial help that could possibly happen if we do pass this? Maybe I am getting mixed up with something else, but possible matching funds if we were to try to do things to help out in this area.

Jen Newmark:

The Department did submit a fiscal note to request support for a staff specialist to help coordinate and manage invertebrates. We currently do not have the expertise or the capacity right now to do that. It would be considered match for federal funding. The State Wildlife Action Plan makes the state eligible for what is called State Wildlife Grants from the federal agency. We will be able to use that funding to match.

Assemblywoman Anderson:

I realize this is not the money committee, but I greatly appreciate that clarification.

Assemblymember DeLong:

Assuming this bill passes, the number of species that NDOW manages goes from hundreds to thousands. Is one person enough? How are you realistically going to try and manage all those species?

Jen Newmark:

The way the bill is currently structured, it will provide management authority for those species that were listed as species of greatest conservation needs. Sixty-six species will come to NDOW for management authority. If the world were according to me and we had all the resources, clearly we could use more than one biologist, but this at least gets us moving in the right direction for those 66 species.

Chair Cohen:

I do not mean to sound glib, but we have heard over the years how management is done, for instance, with big game, with guzzlers, and tagging their ears to literally follow them. You are not going to follow butterflies that way. I am guessing it is not equivalent, or is it equivalent? Is it going to take the same amount of effort to follow bighorn sheep as following or managing butterflies?

Jen Newmark:

That is an excellent observation, and I would offer that the incredible variability in wildlife, including big game, small mammals, invertebrates, and aquatics—there are a whole lot of tools in our toolbox, and we do a lot of different techniques. We actually do tag monarchs and follow them as they migrate. There is that opportunity and there are emerging technologies in the future that we anticipate helping us. A lot of lift comes from our habitat restoration work that we do. We provide healthy and fully functioning ecosystems that lifts all those. There is a whole suite of tools that the department regularly uses across the board with all of our divisions working together.

Chair Cohen:

Is there anyone else in neutral in Carson City, Las Vegas, or Elko? Seeing no one, is there anyone on the phone? Hearing no one, and I am getting the wave off from Assemblyman Watts for closing remarks, I will conclude the hearing on Assembly Bill 221.

I will move on to public comment. Is there anyone wishing to provide public comment in Carson City, Las Vegas, or Elko? Seeing no one, is there anyone on the phone? [Public comment was heard.]

Hearing no further callers, is there anything from anyone on the Committee? Seeing no one, we are adjourned [at 6:48 p.m.].

	RESPECTFULLY SUBMITTED:
	Nancy Davis Committee Secretary
APPROVED BY:	
Assemblywoman Lesley E. Cohen, Chair	
DATE:	

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is the Work Session Document for <u>Assembly Bill 19</u>, presented by Nicolas Anthony, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

Exhibit D is the Work Session Document for Assembly Bill 46, presented by Nicolas Anthony, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

Exhibit E is the Work Session Document for <u>Assembly Bill 109</u>, presented by Nicolas Anthony, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

Exhibit F is a proposed conceptual amendment to <u>Assembly Bill 220</u>, presented by Andrew Belanger, Director, Public Services, Southern Nevada Water Authority

Exhibit G is a letter dated March 9, 2023, submitted by Tracy Puckett, Member, Toiyabe Chapter, Sierra Club, in support of <u>Assembly Bill 220</u>.

<u>Exhibit H</u> is written testimony presented by Jennifer Carr, P.E., Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources, in opposition to <u>Assembly Bill 220</u>.

<u>Exhibit I</u> is a letter submitted by Joseph DeMonte, Private Citizen, Las Vegas, Nevada, in opposition to <u>Assembly Bill 220</u>.

Exhibit J is a copy of an email dated March 13, 2023, submitted by Gary L. Kantor, Private Citizen, Las Vegas, Nevada, in opposition to <u>Assembly Bill 220</u>.

<u>Exhibit K</u> is a copy of a PowerPoint presentation titled "Nevada's varied insect wildlife," presented by Matt Forister, Private Citizen, Reno, Nevada and Kevin Burls, Biologist, Endangered Species Conservation, Xerces Society for Invertebrate Conservation.

Exhibit L is a conceptual amendment to <u>Assembly Bill 221</u>, submitted by Assemblyman Howard Watts, Assembly District No. 15.

Exhibit M is a written letter signed by Kevin Burls, Biologist, Endangered Species Conservation, Xerces Society for Invertebrate Conservation, et al., in support of <u>Assembly Bill 221</u>.

<u>Exhibit N</u> is a letter dated March 13, 2023, submitted by Jaina Moan, External Affairs Director, The Nature Conservancy, in support of Assembly Bill 221.

<u>Exhibit O</u> is a letter dated March 13, 2023, written by Tina Nappe, Member, Sierra Club's Legislative Committee, and submitted by Bari Levinson, Member, Toiyabe Chapter, Sierra Club, in support of <u>Assembly Bill 221</u>.

<u>Exhibit P</u> is a letter dated March 10, 2023, submitted by Russell Kuhlman, Executive Director, Nevada Wildlife Federation; and Naomi Edelson, Senior Director of Wildlife Partnerships, National Wildlife Federation, in support of Assembly Bill 221.

<u>Exhibit Q</u> is a letter dated March 10, 2023, submitted by Scott Hoffman Black, Executive Director, Xerces Society for Invertebrate Conservation, et al., in support of <u>Assembly Bill 221</u>.

Exhibit R is copies of a compilation of emails received in support of Assembly Bill 221.

Exhibit S is a compilation of letters received in support of Assembly Bill 221.