

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

**Eighty-Second Session
April 10, 2023**

The joint meeting of the Assembly Committee on Ways and Means and Senate Committee on Finance Subcommittees on Public Safety, Natural Resources, and Transportation was called to order by Chair Howard Watts at 8:03 a.m. on Monday, April 10, 2023, in Room 1214 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, 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.

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblyman Howard Watts, Chair
Assemblywoman Natha C. Anderson, Vice Chair
Assemblywoman Tracy Brown-May
Assemblywoman Jill Dickman
Assemblywoman Michelle Gorelow
Assemblyman Gregory T. Hafen II

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Dallas Harris, Chair
Senator Rochelle T. Nguyen
Senator Pete Goicoechea

SUBCOMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Karen Hoppe, Assembly Principal Deputy Fiscal Analyst
Alex Haartz, Senate Principal Deputy Fiscal Analyst
Justin Luna, Program Analyst
Tyler Boyce, Committee Secretary
Janet Osalvo, Committee Assistant

OTHERS PRESENT:

None

Chair Watts:

[Roll was taken, and Subcommittee rules and protocol were discussed.] We have 15 budgets to close this morning, some of which are staff recommended closures. We will start with the Tahoe Regional Planning Agency.

INFRASTRUCTURE

TAHOE REGIONAL PLANNING AGENCY

TAHOE REGIONAL PLANNING AGENCY (101-4204)

BUDGET PAGE TRPA-3

Justin Luna, Program Analyst:

Six of the 15 budgets to be closed were heard by the Subcommittees on February 14, 2023, and the other 9 budgets are staff recommended closings. The first budget to be closed is the Tahoe Regional Planning Agency (TRPA) [page 3, [Exhibit C](#)]. As a reminder, the TRPA is exempt from the State Budget Act and submits its proposed budget directly to the Legislature. Therefore, the following Major Closing Issues reflect the TRPA's requested budget and are not included in The Executive Budget.

This budget has four Major Closing Issues as requested by the Agency. The first Major Closing Issue requests State General Fund appropriations to fund Nevada's one-third share of salary increases for TRPA staff in each year of the 2023-2025 biennium [page 3]. The TRPA originally requested a 5 percent increase for each year, but during the hearing, Subcommittee members asked about the 8 percent and 4 percent increases over the biennium as recommended by the Governor for state employees. The TRPA confirmed that the intent is to have TRPA employees receive the same cost of living increases as state employees which would help address recruitment and retention challenges related to a lack of affordable housing in the Lake Tahoe area. Based on that discussion, the decision for Subcommittee members represents salary increases recommended by the Governor for state employees; a 10 percent increase in fiscal year (FY) 2024 increased from 8 percent to add the additional 2 percent for noncollective bargaining staff and an additional 4 percent increase in FY 2025 funded with State General Fund appropriations for Nevada's one-third share [page 4].

Assembly Committee on Ways and Means
Senate Committee on Finance
Subcommittees on Public Safety, Natural Resources, and Transportation
April 10, 2023
Page 3

Do the Subcommittees wish to recommend approval of State General Fund appropriations of \$261,310 in FY 2024 and \$376,286 in FY 2025 to fund Nevada's share of annual salary increases for TRPA staff of 10 percent in FY 2024 and an additional 4 percent in FY 2025, based on the Governor's recommendations for state employee salary adjustments, contingent on approval of statewide cost of living adjustments in the 2023 Pay Bill?

Chair Watts:

Are there any questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED TO RECOMMEND APPROVAL OF STATE GENERAL FUND APPROPRIATIONS OF \$261,310 IN FY 2024 AND \$376,286 IN FY 2025 TO FUND NEVADA'S SHARE OF ANNUAL SALARY INCREASES FOR TRPA STAFF OF 10 PERCENT IN FY 2024 AND AN ADDITIONAL 4 PERCENT IN FY 2025, BASED ON THE GOVERNOR'S RECOMMENDATIONS FOR STATE EMPLOYEE SALARY ADJUSTMENTS, CONTINGENT ON APPROVAL OF STATEWIDE COST OF LIVING ADJUSTMENTS IN THE 2023 PAY BILL.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

Chair Watts:

We will move to the second Major Closing Issue under this budget.

Justin Luna:

The second Major Closing Issue requests State General Fund appropriations of \$500,000 over the 2023-2025 biennium to continue digital conversion of TRPA's hard copy files and records [page 4, [Exhibit C](#)]. The TRPA received a one-time American Recovery Plan Act allocation of \$250,000 in FY 2023 to begin this project. During the budget hearing, the TRPA indicated this effort would improve customer service by providing access to TRPA records online, and the State General Fund appropriations would be used to help fund scanning contracts as well as staff time to prepare the files for scanning.

Do Subcommittee members wish to recommend approval of State General Fund appropriations of \$250,000 in each year of the 2023-2025 biennium to fund Nevada's share of continued digital conversion of TRPA records in the upcoming biennium?

Assembly Committee on Ways and Means
Senate Committee on Finance
Subcommittees on Public Safety, Natural Resources, and Transportation
April 10, 2023
Page 4

Chair Watts:

Are there any questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED TO RECOMMEND APPROVAL OF STATE GENERAL FUND APPROPRIATIONS OF \$250,000 IN EACH YEAR OF THE 2023-2025 BIENNIUM TO FUND NEVADA'S SHARE OF CONTINUED DIGITAL CONVERSION OF TRPA RECORDS IN THE UPCOMING BIENNIUM.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion from Subcommittee members? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

Chair Watts:

We will move to the third Major Closing Issue under this budget.

Justin Luna:

Major Closing Issue 3 requests State General Fund appropriations of \$733,156 over the 2023-2025 biennium to restore Nevada's share of state funding to the one-third contribution specified in the Bi-State Compact [page 5, [Exhibit C](#)]. During the budget hearing, the TRPA confirmed that Nevada's share had been budgeted below the one-third contribution level outlined in the Compact for the majority of the last 15 years and emphasized that funding contributions in the Compact are an important measure of collaboration between the two states in their shared stewardship to protect Lake Tahoe and its resources. According to the TRPA, additional funding would be used to address two key issues:

- To enhance the TRPA's retirement offerings for its staff since the employees do not participate in either of the state's retirement systems and do not receive social security benefits, and
- To fund increased costs for the TRPA's environmental monitoring and research contracts.

Do the Subcommittees wish to recommend approval of State General Fund appropriations of \$366,578 in each year of the 2023-2025 biennium to restore Nevada's share of state funding to the one-third contribution specified in the Bi-State Compact?

Chair Watts:

Are there any questions from Subcommittee members?

Assemblyman Hafen:

To be clear, is this included in the Governor's recommended budget?

Justin Luna:

It is not.

Senator Goicoechea:

The one-third contribution that we have always paid, and for which we are in arrears to California for now, is significant. This is the first thing we cut back on when we were short of money, but I think we should rectify the situation this year.

Chair Watts:

I agree. As we learned during the hearing, and with the background materials, we know now that we have not always met that share because we relied on our neighboring state to help pick up the tab. I agree it is time for us to uphold the responsibility that we agreed to share.

Senator Harris:

While this will get us to the point that we are paying our fair share, it does not, in fact, catch us up from the arrears, and we will still owe compared to California. I look forward to when we consider paying the agency the full amount.

Chair Watts:

Are there any other questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED TO RECOMMEND APPROVAL OF STATE GENERAL FUND APPROPRIATIONS OF \$366,578 IN EACH YEAR OF THE 2023-2025 BIENNIUM TO RESTORE NEVADA'S SHARE OF STATE FUNDING TO THE ONE-THIRD CONTRIBUTION SPECIFIED IN THE BI-STATE COMPACT.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion from Subcommittee members? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

Chair Watts:

We will now move to the fourth Major Closing Issue under this budget.

Justin Luna:

The fourth and final Major Closing Issue for this budget requests State General Fund appropriations of \$676,500 over the 2023-2025 biennium to fund one-third of the Tahoe Transportation District's administrative costs which are not fully supported by other funding sources [page 7, [Exhibit C](#)]. The Tahoe Transportation District was established as part of the Bi-State Compact to provide transit operations for the Lake Tahoe region in close partnership with the TRPA and to help coordinate various transportation partners. The TRPA provided additional information about the overall funding framework to support transportation services in the Lake Tahoe Basin and explained that the Tahoe Transportation District does not currently charge a fee for rides in an effort to retain ridership and provide financial relief following a decline in transport use during the pandemic.

The TRPA indicated that the requested funding would be used to support administrative costs, including district staff time which may allow the Tahoe Transportation District to use existing grants or other funding toward operations to enhance transit services in the area. Please note if the Subcommittees recommend approval of this request to the Fiscal Analysis Division's knowledge, this would be the first time the Legislature directly appropriated funding to support the Tahoe Transportation District's administrative costs, and the Subcommittees may wish to provide direction to the TRPA about whether this funding should be considered one time, or ongoing, for future budget requests.

Do the Subcommittees wish to recommend approval of State General Fund appropriations of \$330,000 in FY 2024 and \$346,500 in FY 2025 to fund a 33 percent share of the otherwise unallocable portion of administrative costs for the Tahoe Transportation District? If the Subcommittees recommend approval of State General Fund appropriations to support the Tahoe Transportation District's administrative costs, the Subcommittees may wish to provide the TRPA with guidance on whether these funds should be considered one time or ongoing for future budget requests.

Chair Watts:

Are there any questions from Subcommittee members?

Assemblywoman Dickman:

I would like to see this as one-time funding.

Senator Goicoechea:

I would prefer that this funding be treated as a one-shot.

Chair Watts:

This is the first time that this has come before us. We can fund this and see what happens next session. I was just up at Lake Tahoe this weekend. Transportation needs are significant, and if the TRPA comes back during the next biennium and this seems like an investment that is needed, we will need to contribute our fair share on an ongoing basis. We

have had recurring one-shot appropriations that we eventually asked to be built into the budget, and I am fine with this one-time appropriation now and then letting the next Legislature reassess this in the next biennium.

Assemblywoman Anderson:

Looking through the background documents, are the California funds ongoing or one-shot?

Justin Luna:

I am unsure whether California funding for transportation services in Tahoe is one time or ongoing.

Chair Watts:

Are there any other questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED TO RECOMMEND APPROVAL OF STATE GENERAL FUND APPROPRIATIONS OF \$330,000 IN FY 2024 AND \$346,500 IN FY 2025 TO FUND THE 33 PERCENT SHARE OF THE OTHERWISE UNALLOCABLE PORTION OF ADMINISTRATIVE COSTS FOR THE TAHOE TRANSPORTATION DISTRICT WITH GUIDANCE PROVIDED TO THE TAHOE TRANSPORTATION DISTRICT THAT WHILE THIS IS CONSIDERED A ONE-SHOT APPROPRIATION, THIS ITEM SHOULD BE INCLUDED IN THE BASE BUDGET MOVING FORWARD.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Are there any questions from Subcommittee members on the motion? [There were no questions.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

Justin Luna:

There are no Other Closing Items for this budget and with the Chair's permission, we can move on to the Department of Conservation and Natural Resources.

Chair Watts:

Please move on to the next budget.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - ADMINISTRATION (101-4150)
BUDGET PAGE DCNR-17**

Justin Luna, Program Analyst:

The first budget for Department of Conservation and Natural Resources (DCNR) is the DCNR's Administration budget [page 17, [Exhibit C](#)]. This budget was heard by the Subcommittees on February 14, 2023. There are no Major Closing Issues and there are two Other Closing Items, including one with recommended Appropriations Act language to allow amounts to be transferred as needed between fiscal years with approval of the Interim Finance Committee. Fiscal staff recommends Other Closing Items be closed as recommended by the Governor and requests authority to make technical adjustments, as necessary.

Chair Watts:

Are there any questions from the Subcommittees on this item? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED THAT OTHER CLOSING ITEMS 1 AND 2 BE CLOSED AS RECOMMENDED BY THE GOVERNOR, AND THAT FISCAL STAFF BE GIVEN AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS, AS NECESSARY.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

We will now move to the next budget, Water Conservation and Infrastructure Initiative.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - WATER CONSERV & INFRASTRUCTURE (101-4159)
BUDGET PAGE DCNR-24**

Justin Luna, Program Analyst:

The next budget is the Department of Conservation and Natural Resources (DCNR), Water Conservation and Infrastructure budget [page 19, [Exhibit C](#)]. This budget includes \$100 million in federal American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds approved at the October 2022 Interim Finance Committee (IFC) meeting. This funding was

to focus on long-term reliability of the state's water resources. At the time of approval, the IFC requested a quarterly report from the DCNR to get regular updates on the progress of the initiative.

There is one Major Closing Issue; the continuation of the Coronavirus State Fiscal Recovery Funds to support the initiative's ongoing work. There are two full-time positions dedicated to the program, and DCNR created a technical advisory committee to develop priorities, review project eligibility and timelines, and evaluate and rank submissions. In requests for follow up, the DCNR provided details on the membership of the technical advisory committee.

Do the Subcommittees wish to recommend approval of federal American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds of \$49.8 million in each year of the 2023-2025 biennium to continue funding for the Water Conservation and Infrastructure budget, as recommended by the Governor?

Chair Watts:

Are there any questions from Subcommittee members?

Senator Goicoechea:

Because it is our funding, we want to ensure that the \$49.8 million is allocated by the 2024 deadline even though it would not be expended. Is that correct?

Chair Watts:

Can Fiscal staff answer whether inclusion in the budget would count as allocation of the full amount?

Justin Luna:

That is the understanding of the Fiscal staff.

Assemblyman Hafen:

During the IFC meeting, we approved roughly \$100 million, but we are saying that it would be about \$50 million each year. Would DCNR have flexibility to spend \$100 million in one year, or are we limiting the spending to approximately \$50 million in each year?

Chair Watts:

My understanding is that DCNR wishes to get this funding out the door as quickly as they can in an effective and responsible manner. I believe we could adjust if they do not get the funds out the door; the funds could be balanced forward to the next fiscal year. Can Fiscal staff add clarification?

Justin Luna:

That is correct. The DCNR has the ability to reconcile authority between fiscal years, as needed.

Assemblyman Hafen:

If DCNR wanted to spend the whole \$100 million in the first year, would they have the flexibility to do that?

Justin Luna:

In the current state fiscal year, DCNR would have the full \$100 million in authority. For future state fiscal years, they would need to submit a work program to request an adjustment to that authority, but yes, DCNR has opportunity to access the full \$100 million in one year.

Chair Watts:

Are there any other questions from Subcommittee members? [There were none.] I would accept a motion.

SENATOR HARRIS MOVED THAT THE SUBCOMMITTEES RECOMMEND APPROVAL OF FEDERAL AMERICAN RESCUE PLAN ACT, CORONAVIRUS STATE FISCAL RECOVERY FUNDS OF \$49.8 MILLION IN EACH YEAR OF THE 2023-2025 BIENNIUM TO CONTINUE FUNDING FOR THE WATER CONSERVATION INFRASTRUCTURE BUDGET, AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on this motion from Subcommittee members? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

We will look forward to getting ongoing updates on efforts to deploy these funds from the DCNR. We will move on to the next item.

Justin Luna:

There are no Other Closing Items for this budget, so we will move on to the next budget—the Conservation Districts Program.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - CONSERVATION DISTRICTS PROGRAM (101-4151)
BUDGET PAGE DCNR-30**

Justin Luna, Program Analyst:

This budget was also heard by the Subcommittees on February 14, 2023, and supports Nevada's 28 locally elected conservation districts as part of a statewide conservation

program. There are two Major Closing Issues for this budget [page 23, [Exhibit C](#)]. The first Major Closing Issue recommends additional State General Fund appropriations of \$14,000 in each year of the 2023-2025 biennium to increase annual grant allocations provided to each conservation district by \$500 for a total of \$4,500 per district per year. In response to a request for follow up, the DCNR provided a history of payments to districts along with a map and details about the 28 conservation districts in the state.

Do the Subcommittees wish to recommend approval of additional State General Fund appropriations of \$14,000 in each year of the 2023-2025 biennium to increase annual grant allocations provided to the 28 conservation districts from \$4,000 to \$4,500, as recommended by the Governor?

Chair Watts:

I would note that during our hearing on this budget, we heard that funds were originally \$5,000 per district before we had to make cutbacks. Considering how little it takes for us to restore funding, I think it is something that would be worthwhile, especially for more active districts, and this might even help smaller districts to pick up their activities. Are there any questions from Subcommittee members?

Senator Goicoechea:

I agree and, in the future, if we look at enhancing those amounts, I recommend we do it as grants. Some districts can expend money and get more than others. I think this \$4,500 will help all districts get even, but as we look at increasing that funding, competitive grants may be a good idea. There are good projects out there, and clearly, districts could use this funding to make it happen.

Chair Watts:

I will ask the DCNR to think about this moving forward, because I think there are different capacity levels for different conservation districts. We want to support their work, and their growth, across the state. I think the Senator's point is well noted. Are there any other questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED THAT THE SUBCOMMITTEES RECOMMEND APPROVAL OF THE GOVERNOR'S RECOMMENDATION OF \$14,000 IN FISCAL YEAR (FY) 2024 AND \$14,000 IN FY 2025 TO INCREASE FUNDING TO \$4,500 FOR EACH OF THE 28 CONSERVATION DISTRICTS AND FOR AN ADDITIONAL \$14,000 IN STATE GENERAL FUND APPROPRIATIONS FOR FY 2025 TO INCREASE FUNDING TO \$5,000 FOR EACH OF THE 28 CONSERVATION DISTRICTS.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Hafen:

Can you clarify the math on that for me?

Chair Watts:

For FY 2024, it will take an extra \$14,000 to get 28 districts from \$4,000 to \$4,500 each and then another \$14,000—for a total of \$28,000—to get the districts to \$5,000 each. Note that \$5,000 was the amount each district had prior to cutbacks.

Senator Goicoechea:

That amount is \$14,000 more than the Governor's recommendation. Is that correct?

Chair Watts:

That is correct. Is there any additional discussion from Subcommittee members? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

We will move on to the next Major Closing Issue under this budget.

Justin Luna:

The second Major Closing Issue recommends additional State General Fund appropriations of \$10,000 in each year of the 2023-2025 biennium to increase sage grouse competitive grant awards available to conservation districts in Nevada [page 24, [Exhibit C](#)]. The base budget component funds sage grouse competitive grants of \$65,000 per year, and this recommendation will increase the total funding for awards from \$65,000 to \$75,000 per fiscal year, restoring funding to the 2019 legislatively approved amount.

Do the Subcommittees wish to recommend approval of additional State General Fund appropriations of \$10,000 in each year of the 2023-2025 biennium to increase sage grouse competitive grant awards available to conservation districts in Nevada, as recommended by the Governor?

Chair Watts:

Are there any questions from Subcommittee members on this item? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED THAT THE SUBCOMMITTEES RECOMMEND APPROVAL OF ADDITIONAL STATE GENERAL FUND APPROPRIATIONS OF \$10,000 IN EACH YEAR OF THE 2023-2025 BIENNIUM TO INCREASE SAGE GROUSE COMPETITIVE GRANT AWARDS AVAILABLE TO CONSERVATION DISTRICTS IN NEVADA, AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

We can move to the Other Closing Item for this budget.

Justin Luna:

There is one Other Closing Item for this budget. Fiscal staff recommends that Other Closing Item 1 be closed as recommended by the Governor and requests authority to make technical adjustments as necessary.

Chair Watts:

Are there any questions from Subcommittee members on the Other Closing Item? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED THAT OTHER CLOSING ITEM 1 BE CLOSED AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

We will now move to the Division of Environmental Protection budgets.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - DEP AIR QUALITY (101-3185)
BUDGET PAGE DCNR-149**

Justin Luna, Program Analyst:

The first of these budgets—the Division of Environmental Protection's (DEP) Air Quality budget [page 27, [Exhibit C](#)—was heard on February 14, 2023, and has two Major Closing Issues. The first Major Closing Issue recommends additional revenue to reclassify two positions.

Decision unit enhancement (E) 805 reclassifies a vacant environmental scientist 4 position to a professional engineer supervisor and decision unit E-806 reclassifies a filled staff associate engineer 2 position to a professional engineer. During the budget hearing, the DEP indicated that the reclassifications would assist with the DEP's greenhouse gas emissions reporting resulting in a reporting process that will be timelier because data received from the U.S. Environmental Protection Agency (EPA) has been delayed.

Do the Subcommittees wish to recommend approval of \$84,417, which is comprised of federal funds, fees, and settlement funds, over the 2023-2025 biennium, to fund increased personnel costs resulting from reclassifications of two positions as recommended by the Governor, and contingent on approval of the reclassifications from the Division of Human Resource Management?

Chair Watts:

Are there any questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED THAT THE SUBCOMMITTEES RECOMMEND APPROVAL OF \$84,417, WHICH IS COMPRISED OF FEDERAL FUNDS, FEES, AND SETTLEMENT FUNDS OVER THE 2023-2025 BIENNIUM TO FUND INCREASED PERSONNEL COSTS RESULTING FROM RECLASSIFICATIONS OF TWO POSITIONS AS RECOMMENDED BY THE GOVERNOR, AND CONTINGENT UPON APPROVAL OF THE RECLASSIFICATIONS FROM THE DIVISION OF HUMAN RESOURCES MANAGEMENT.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on this motion? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

We can move on to the second Major Closing Issue.

Justin Luna:

The second Major Closing Issue recommends additional fee revenue to purchase high-resolution satellite imagery [page 28, [Exhibit C](#)]. During the February 14, 2023, budget hearing, DEP explained the benefits of high-resolution satellite imagery as it relates to the Clean Air Act administered by the EPA. The primary purpose of high-resolution satellite imagery is to effectively analyze exceptional air quality incidents in coordination with DEP's existing air quality monitoring network to show when events have a significant impact on Nevada.

Do the Subcommittees wish to recommend approval of additional fee revenue totaling \$101,100 over the 2023-2025 biennium for the purchase of high-resolution satellite imagery to monitor air quality, as recommended by the Governor?

Chair Watts:

Are there any questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED THAT THE SUBCOMMITTEES RECOMMEND APPROVAL OF ADDITIONAL FEE REVENUE TOTALING \$101,100 OVER THE 2023-2025 BIENNIUM FOR THE PURCHASE OF HIGH-RESOLUTION SATELLITE IMAGERY TO MONITOR AIR QUALITY AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED. (ASSEMBLYMAN HAFEN WAS ABSENT FOR THE VOTE.)

We will move on to Other Closing Items under this budget.

Justin Luna:

There are four Other Closing Items. Fiscal staff recommends that all Other Closing Items be closed as recommended by the Governor with authority for Fiscal staff to make technical adjustments as necessary.

Chair Watts:

Are there any questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED THAT ALL OTHER CLOSING ITEMS BE CLOSED AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED. (ASSEMBLYMAN HAFEN WAS ABSENT FOR THE VOTE.)

We will move on to the next budget closing.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - DEP MATERIALS MNGMT & CORRCTV ACTN (101-3187)
BUDGET PAGE DCNR-161**

Justin Luna, Program Analyst:

The next budget closing is the Division of Environmental Protection's (DEP), Materials Management and Corrective Action budget, also heard on February 14, 2023 [page 31, [Exhibit C](#)]. This budget has four Major Closing Issues. The first Major Closing Issue recommends additional funding in fiscal year (FY) 2024 funded with fees transferred from the Hazardous Waste Management budget to support ongoing environmental cleanup efforts at the Anaconda mine site located in Lyon County. The additional amount would fund the expected state cost share of the closure for the first phase of the cleanup to provide total authority of \$1.2 million in FY 2024 and \$535,149 in FY 2025.

During the budget hearing, the DEP stated that work for phase one is expected to conclude in 2024 and payments for the state's 7.8 percent cost share associated with phase one, also known as the orphan share of the project, are expected to continue through 2025 because of billing cycles. This would mark the end of the state's cost share. The DEP also indicated construction for the whole site is expected to be done in 2029 inclusive of phases two and three, but again, the state will not have a cost share for those phases.

Do the Subcommittees wish to recommend approval of additional funding of \$634,851 in FY 2024 funded with transfers from the Hazardous Waste Management budget to support ongoing environmental cleanup efforts at the Anaconda mine site, as recommended by the Governor?

Chair Watts:

Are there any questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED THAT THE SUBCOMMITTEES RECOMMEND APPROVAL OF THE ADDITIONAL FUNDING OF \$634,851 IN FY 2024 FUNDED WITH TRANSFERS FROM THE HAZARDOUS WASTE MANAGEMENT BUDGET TO SUPPORT ONGOING ENVIRONMENTAL CLEANUP EFFORTS AT THE ANACONDA MINE SITE, AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED. (ASSEMBLYMAN HAFEN WAS ABSENT FOR THE VOTE.)

We will move on to the next Major Closing Issue.

Justin Luna:

The second Major Closing Issue recommends additional revenue from various sources including federal grant funds and budgetary transfers to reclassify two positions in the Bureau of Corrective Actions [page 33, [Exhibit C](#)]. Decision unit enhancement (E) 805 reclassifies a vacant administrative assistant 2 position to a management analyst 1 position and decision unit E-806 reclassifies a management analyst 2 position to a management analyst 4 position.

During the budget hearing, the Division clarified that the recommended reclassifications account for an increase in scope, complexity, and responsibility in the duties of the positions.

Do the Subcommittees wish to recommend approval of additional revenue totaling \$92,424 over the 2023-2025 biennium to reclassify two positions in the Bureau of Corrective Actions as recommended by the Governor, and contingent on approval of reclassifications from the Division of Human Resource Management?

Chair Watts:

Are there any questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED THAT THE SUBCOMMITTEES RECOMMEND APPROVAL OF ADDITIONAL REVENUE TOTALING \$92,424 OVER THE 2023-2025 BIENNIUM TO RECLASSIFY TWO POSITIONS IN THE BUREAU OF CORRECTIVE ACTIONS AS RECOMMENDED BY THE GOVERNOR, AND CONTINGENT UPON APPROVAL OF RECLASSIFICATIONS FROM THE DIVISION OF HUMAN RESOURCES MANAGEMENT.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED. (ASSEMBLYMAN HAFEN WAS ABSENT FOR THE VOTE.)

We will now move to the third Major Closing Issue under this budget.

Justin Luna:

The third Major Closing Issue recommends reserve reductions to fund additional public education grants to enhance solid waste management systems and promote sustainability in Nevada [page 34, [Exhibit C](#)]. During the February 14, 2023, budget hearing, the DEP indicated that the grants support smaller groups to enhance public education concerning recycling and infrastructure enhancements to enable jurisdictions to collect and transport materials for recycling.

Fiscal staff notes that as submitted, The Executive Budget includes base grant expenses of \$1,750 in each year, and this recommendation would increase expenses to \$16,750 in FY 2024 and \$31,750 in FY 2025. According to the DEP, the amounts in this recommendation were calculated assuming existing grant expenses of \$36,660 in the base budget, and total annual grant expenses of \$65,000. To fund the DEP's expected need in the upcoming biennium at the \$65,000 level each year, an adjustment to the decision unit would be necessary to increase grant expenses to \$63,250 in each year of the 2023-2025 biennium funded with reserve reductions for total annual authority of \$65,000 for grant expenses.

Do the Subcommittees wish to recommend approval of additional reserve reductions of \$15,000 in FY 2024 and \$30,000 in FY 2025 as recommended by the Governor and to recommend approval of additional reserve reductions totaling \$48,250 in FY 2024 and \$33,250 in FY 2025 to provide funding of \$65,000 in each year of the 2023-2025 biennium to fund additional grants to promote sustainable materials management?

Chair Watts:

Are there any questions from Subcommittee members?

Senator Goicoechea:

These are reserve reductions. Their reserves look significant—I think they will be okay.

Chair Watts:

This adjustment is in alignment with goals submitted in The Executive Budget. Are there any questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED THAT THE SUBCOMMITTEES RECOMMEND APPROVAL OF ADDITIONAL RESERVE REDUCTIONS OF \$15,000 IN FY 2024 AND \$30,000 IN FY 2025 AS RECOMMENDED BY THE GOVERNOR AS WELL AS APPROVAL OF ADDITIONAL RESERVE REDUCTIONS TOTALING \$48,250 IN FY 2024 AND \$33,250 IN FY 2025 TO PROVIDE FUNDING OF \$65,000 IN EACH YEAR OF THE 2023-2025 BIENNIUM TO FUND ADDITIONAL GRANTS TO PROMOTE SUSTAINABLE MATERIALS MANAGEMENT.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

We will move on to the fourth Major Closing Issue under this budget.

Justin Luna:

The fourth and final Major Closing Issue for this budget recommends fees transferred from the Hazardous Waste Management budget to conduct a multiseason waste characterization study, which according to the DEP, would identify opportunities to increase the recycling rate in Nevada [page 35, [Exhibit C](#)]. The study would particularly address some data gaps identified by the Partners for a Sustainable Nevada stakeholder group.

Do the Subcommittees wish to recommend approval of \$300,000 over the 2023-2025 biennium funded with transfers from the Hazardous Waste Management budget to conduct a waste characterization study, as recommended by the Governor?

Chair Watts:

Are there any questions from Subcommittee members on this item? [There were none.] I would accept a motion.

SENATOR HARRIS MOVED THAT THE SUBCOMMITTEES RECOMMEND APPROVAL OF \$300,000 OVER THE 2023-2025 BIENNIUM FUNDED WITH TRANSFERS FROM THE HAZARDOUS WASTE MANAGEMENT BUDGET TO CONDUCT A WASTE CHARACTERIZATION STUDY, AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

We will now move on to the Other Closing Items for this budget.

Justin Luna:

There are nine Other Closing Items for this budget including one technical adjustment to remove expired grant authority from the base budget. Fiscal staff recommends that Other Closing Items 1 through 8 be closed as recommended by the Governor and Other Closing Item 9 be closed with the noted technical adjustments and requests authority to make other technical adjustments as necessary.

Chair Watts:

Are there any questions on this from Subcommittee members? [There were none.] I will accept a motion.

SENATOR HARRIS MOVED TO RECOMMEND CLOSING OTHER CLOSING ITEMS 1 THROUGH 8 AS RECOMMENDED BY THE GOVERNOR AND OTHER CLOSING ITEM 9 BE CLOSED WITH THE NOTED TECHNICAL ADJUSTMENTS AND THAT FISCAL STAFF BE GRANTED AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on this motion? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

Justin Luna:

I will now begin presenting budgets which the Subcommittees have not previously reviewed for the Division of Environmental Protection and for which Fiscal staff is responsible for developing closing recommendations. I will pause following my presentation of each budget

to allow for questions. When I have presented the last budget in this group and questions have been addressed, the Chair may wish to ask for a single motion for closing consideration on all the budgets.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - DEP ADMINISTRATION (101-3173)
BUDGET PAGE DCNR-135**

Justin Luna, Program Analyst:

The next budget to be closed is the Division of Environmental Protection's (DEP) Administration budget [page 39, [Exhibit C](#)]. The Administration budget supports the administrative needs of the Division including the Division's personnel, information technology, accounting, and fiscal staff.

This budget is funded by an indirect cost assessment charged to various DEP budgets. A federal Department of Energy Grant is also administered in this budget. The majority of the grant funding is passed through to other State Department of Conservation and Natural Resources budgets where work is performed.

There are no Major Closing Issues. There are ten Other Closing Items all recommended to be funded with reserve reductions including one budget amendment received from the Governor's Office of Finance on March 4, 2023. This amendment adds one information technician 4 position along with associated operating costs. As a reminder, closing recommendations for this budget and other staff closed budgets are included at the end of the closing packet [page 63].

Chair Watts:

Are there any questions from Subcommittee members on this budget? [There were none.] We will move on to the next budget closing.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - DEP INDUSTRIAL SITE CLEANUP (101-3175)
BUDGET PAGE DCNR-142**

Justin Luna, Program Analyst:

The next budget closing is the Division of Environmental Protection's Industrial Site Cleanup budget [page 41, [Exhibit C](#)]. The Bureau of Industrial Site Cleanup is responsible for oversight of the assessment and cleanup of historical hazardous releases from five major industrial sites that comprise the Black Mountain Industrial Complex near Henderson, Nevada. There are no Major Closing Issues. There are ten Other Closing Items all funded with a combination of fees and transfers from the Hazardous Waste Management budget.

Chair Watts:

Are there any questions from Subcommittee members on this budget? [There were none.]
We will move on to the next budget.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - DEP WATER POLLUTION CONTROL (101-3186)
BUDGET PAGE DCNR-156**

Justin Luna, Program Analyst:

The next budget is the Division of Environmental Protection's Water Pollution Control budget [page 43, [Exhibit C](#)]. The Bureau of Water Pollution Control ensures compliance with federal and state water pollution control laws by issuing permits to discharge wastewater, inspecting facilities, and reviewing designs of wastewater treatment plants and infrastructure.

There are no Major Closing Issues and there are three Other Closing Items funded with federal grants, fees, and reserve reductions.

Chair Watts:

Are there any questions from Subcommittee members on this budget? [There were none.]
We will move to the next budget closing.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - DEP MINING REGULATION/RECLAMATION (101-3188)
BUDGET PAGE DCNR-173**

Justin Luna, Program Analyst:

The next budget is the Division of Environmental Protection's Mining Regulation and Reclamation budget [page 45, [Exhibit C](#)]. The Bureau of Mining Regulation and Reclamation ensures that design, construction, operation, closure, and reclamation of mining operations are carried out in accordance with state law and in a manner that protects public health. This budget is funded with fees paid by the mining industry.

There are no Major Closing Issues and there are nine Other Closing Items all funded with reserve reductions. The Other Closing Items include one technical adjustment recommended by Fiscal staff to remove a duplicate position added during the interim and one budget amendment received from the Governor's Office of Finance Office on March 4, 2023, to add one new environmental scientist 3 position along with associated operating costs.

Chair Watts:

Are there any questions from Subcommittee members on this budget? [There were none.]
We will move on to the next budget closing.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - DEP STATE REVOLVING FUND - ADMIN (746-3189)
BUDGET PAGE DCNR-180**

Justin Luna, Program Analyst:

The next budget is the Division of Environmental Protection's State Revolving Fund Administration budget [page 49, [Exhibit C](#)]. The state revolving loan programs provide low-cost financing for wastewater and drinking water infrastructure improvements. This budget is funded primarily with federal grants. There are no Major Closing Issues and there are eight Other Closing Items funded with a combination of federal funds and reserve reductions, including one technical adjustment recommended by Fiscal staff to remove funding for two duplicate positions added during the interim.

Chair Watts:

Are there any questions from Subcommittee members on this budget? [There were none.]
We will move on to the next budget closing.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - DEP WATER QUALITY PLANNING (101-3193)
BUDGET PAGE DCNR-188**

Justin Luna, Program Analyst:

The next budget closing is the Division of Environmental Protection's Water Quality Planning budget [page 53, [Exhibit C](#)]. The Bureau of Water Quality Planning implements programs to meet requirements of the Federal Clean Water Act as well as Nevada's water quality statutes and regulations. This budget is primarily funded with federal grants and budgetary transfers. There are no Major Closing Issues and there are seven Other Closing Items funded primarily with federal funds.

Chair Watts:

Are there any questions from Subcommittee members on this budget? [There were none.]
We will move on to the next budget closing.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - DEP SAFE DRINKING WATER PROGRAM (101-3197)
BUDGET PAGE DCNR-195**

Justin Luna, Program Analyst:

The next budget closing is the Division of Environmental Protection's Safe Drinking Water Program budget [page 55, [Exhibit C](#)]. The Bureau of Safe Drinking Water ensures Nevada's public water systems comply with state and federal drinking water standards. This budget is primarily funded with federal grants, various fees, and budgetary transfers. There are no Major Closing Issues and there are four Other Closing Items including one technical adjustment recommended by Fiscal staff to remove two duplicate positions added during the interim.

Chair Watts:

Are there any questions from Subcommittee members on this budget? [There were none.] We will move on to the next budget closing.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - DEP STATE ENVIRONMENTAL COMMISSION (101-4149)
BUDGET PAGE DCNR-202**

Justin Luna, Program Analyst:

The next budget closing is the Division of Environmental Protection's (DEP) State Environmental Commission budget [page 59, [Exhibit C](#)]. The State Environmental Commission serves as the primary rulemaking, variance, and appeal body for environmental regulations in Nevada. Funding for this budget is provided through administrative fines and transfers from various other DEP budgets and the Department of Motor Vehicles' Pollution Control budget. There are no Major Closing Issues and there are two Other Closing Items.

Chair Watts:

Are there any questions from Subcommittee members on this budget? [There were none.] We will move on to our last budget closing.

**INFRASTRUCTURE
CONSERVATION & NATURAL RESOURCES
DCNR - DEP WATER PLANNING CAP IMPROVEMENT (101-4155)
BUDGET PAGE DCNR-206**

Justin Luna, Program Analyst:

The final budget is the Division of Environmental Protection's Water Planning Capital Improvement budget [page 61, [Exhibit C](#)]. The Water Planning Capital Improvement budget

funds administrative expenses of the Board for Financing Water Projects which awards grants for capital improvements to small public water systems to ensure compliance with state and federal drinking water regulations. This budget is funded primarily with bond proceeds, reserves, and administration fees. There are no Major Closing Issues and there are no Other Closing Items.

Chair Watts:

Are there any questions from Subcommittee members on this budget or any of the earlier budgets? [There were none.] Mr. Luna, please walk us through the decision.

Justin Luna:

As previously noted, Fiscal staff is responsible for developing recommendations for the following budgets to be closed as recommended by the Governor, with noted technical adjustments and budget amendments, along with authority to make technical adjustments as indicated:

- Budget 101-3173: DCNR–DEP Administration including approval of Budget Amendment A231373173 to add one position.
- Budget 101-3175: DCNR–DEP Industrial Site Cleanup.
- Budget 101-3186: DCNR–DEP Water Pollution Control.
- Budget 101-3188: DCNR–DEP Mining Regulation/Reclamation, including approval of Budget Amendment A231443188 to add one position as well as the noted technical adjustment to remove a duplicate position.
- Budget 101-3189: DCNR–DEP State Revolving Fund Administration, including the noted technical adjustment to remove the transfer of funds related to duplicate positions.
- Budget 101-3193: DCNR–DEP Water Quality Planning.
- Budget 101-3197: DCNR–DEP Safe Drinking Water Program, including the noted technical adjustment to remove duplicate positions.
- Budget 101-4149: DCNR–DEP State Environmental Commission.
- Budget 101-4155: DCNR–DEP Water Planning Capital Improvement.

SENATOR HARRIS MOVED THAT THE SUBCOMMITTEES RECOMMEND BUDGET CLOSINGS AS DETAILED BY FISCAL STAFF AND AS RECOMMENDED BY THE GOVERNOR WITH THE NOTED TECHNICAL ADJUSTMENTS AND BUDGET AMENDMENTS AS WELL AS WITH AUTHORITY FOR FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN ANDERSON SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED UNANIMOUSLY.

That brings us to the last item on our agenda, and I will open the meeting for public comment. Is there anyone wishing to provide public comment? [There was no one.] This meeting is adjourned [at 9:04 a.m.].

RESPECTFULLY SUBMITTED:

Tyler Boyce
Recording Secretary

Carmen M. Neveau
Transcribing Secretary

APPROVED BY:

Assemblyman Howard Watts, Chair

DATE: _____

Senator Dallas Harris, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is the closing packet titled "Public Safety, Natural Resources, and Transportation Joint Subcommittee Closing List #2," dated April 10, 2023, submitted and presented by Justin Luna, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.