201 Roop Street, Suite 101 Carson City, Nevada 89701 Telephone (775) 687-2000

www.sagebrusheco.nv.gov



Kathleen Steele, Program Manager Cheyenne Acevedo, Wildlife Casey Adkins, Forestry/Wildland Fire Sarah Hale, State Lands Skyler Monaghan, Agriculture

Notice of Intent to Act upon a Regulation

Notice of Public Hearing for the Amendment of Regulations of the Sagebrush Ecosystem Program

Friday, December, 13 2024 – 8:30 a.m.

Nevada Department of Wildlife Main Conference Room 6980 Sierra Center Pkwy. #120, Reno, NV 89511

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The Sagebrush Ecosystem Program (SEP) under the Sagebrush Ecosystem Council will be holding a public hearing to adopt the following proposed temporary regulation. The purpose of the hearing is to adopt regulations on requirements for becoming a certified verifier, and the decertification process. Persons wishing to comment upon the proposed action of the Sagebrush Ecosystem Program may appear at the scheduled public hearing or may address their comments, data, views, or arguments, in written form, to Sagebrush Ecosystem Program, 201 S. Roop Street, Suite 101, Carson City, NV 89701. Written submissions must be received by the Sagebrush Ecosystem Program on or before November 30, 2024. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Sagebrush Ecosystem Program may proceed immediately to act upon any written submissions.

Nevada Revised Statutes §232.162 (6)(a) provides authority for the Sagebrush Ecosystem Council to adopt regulations specific to the management of sagebrush ecosystem and the establishment and oversight of a mitigation program. NRS §321.594 provides authority for Division of State Lands to adopt any regulations necessary to oversee and administer a program to mitigate damage to sagebrush ecosystems.

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- 1. OPEN HEARING, INTRODUCTION
- 2. PUBLIC COMMENT

Persons making comment will be asked to begin by stating their name for the record. All public comments should be as brief and concise as possible so that all who wish to speak may do so (3 minutes for individuals and 5 minutes for group representatives). Comment will not be restricted based on viewpoint.

3. PRESENTATIONS AND DISCUSSION OF PROPOSED REGULATION – PUBLIC COMMENT ALLOWED

NAC 232.480 refers to the training and certification of verifiers by the Sagebrush Ecosystem Technical Team.

The purpose of the proposed regulation change is to clarify requirements for becoming certified as a verifier for the Conservation Credit System, behavior and violations that would warrant warnings or decertification, and the decertification process.

4. CONSIDERATION OF ALL COMMENTS AND ADOPTION OF TEMPORARY REGULATION - *FOR POSSIBLE ACTION*

5. PUBLIC COMMENT

Persons making comment will be asked to begin by stating their name for the record. All public comments should be as brief and concise as possible so that all who wish to speak may do so (3 minutes for individuals and 5 minutes for group representatives). Comment will not be restricted based on viewpoint.

- 6. CLOSE OF HEARING
- 7. ADJOURNMENT *FOR POSSIBLE ACTION*

NOTICE: Items on this agenda may be taken in a different order than listed.

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The following information is provided pursuant to the requirements of the Nevada Revised Statutes (NRS) 233B.0603 and the directives of the Nevada State Governor:

FORM 1: FORM FOR ADOPTION, FILING AMENDMENTS OR REPEAL OF REGULATIONS

1. Name, address, telephone number, and signature:

Name: Kathleen Steele

Address: 201 S. Roop St. Ste. 101, Carson City, NV 89701

E-mail Address: ksteele@sagebrusheco.nv.gov

Telephone Number: 775.687.2005

Date of Petition: 12/13/2024

Representative capacity and signature of petitioner, authorized individual, or attorney:

2. Specific type of petitioner (individual, partnership, corporation, government agency, or other) and the exact occupation or business, including a description of the occupation or business if necessary:

Government Agency - Sagebrush Ecosystem Council/Division of State Lands -

NRS 232.162 provides authority for the Sagebrush Ecosystem Council to adopt regulations specific to the management of sagebrush ecosystem and the establishment and oversight of a mitigation program. The Sagebrush Ecosystem Council is a governor-appointed council, established to create and carry out strategies for "the conservation of the greater sage grouse and sagebrush ecosystems in this State" as well as other strategies outlined in NRS 232.162. NRS 321.594 provides authority for the Division of State Lands to adopt regulations for the oversight and administration of a program to mitigate damage to sagebrush ecosystems.

3. Exact and specific nature of changes sought, including delineation of the regulations, statutory provisions of Commission decisions involved. May include a statement of the written term or substance of the proposed regulatory action, or a description of the subjects and issues involved:

This will be an amendment to an existing regulation, NAC 232, which seeks to clarify the verifier certification and decertification processes in NAC 232.480.

The exact proposed amendment is located at the end of this form.

4. A statement of the need for and purpose of the proposed regulations:

The Sagebrush Ecosystem Program was tasked with establishing a mitigation framework to offset adverse impacts to the sagebrush ecosystem, while allowing for activities important to Nevada's economy on public lands. The mitigation framework put in place was the Conservation Credit System, which seeks to create net conservation gain for the Greater Sage-grouse through the generation of credits (units of Greater Sage-grouse habitat benefit) to offset debits (units of Greater Sage-grouse habitat loss).

NAC 232.480 provides authority to the Sagebrush Ecosystem Technical Team to train and certify verifiers who are authorized to conduct work for the Sagebrush Ecosystem Program. Verifiers are hired by CCS project proponents to act as an unbiased third-party and accurately assess ecosystem conditions at potential project sites. The proposed regulation changes will codify 1) requirements for becoming and remaining a certified verifier for the CCS, and 2) the verifier decertification process for when rules and/or standards are not adhered to.

Adding clarity to the requirements for obtaining verifier certification will ensure that verifiers are adequately experienced and trained to conduct work for the Sagebrush Ecosystem Program. Adding accountability through a detailed decertification process will ensure that certification can be revoked if verifiers become a risk to the integrity, or burden to the workload, of the program.

Overall, the proposed regulation amendment will enhance the efficiency and credibility of the Sagebrush Ecosystem Program.

5. A statement of the:

(a) Estimated economic effect of the regulation on the business which it is to regulate:

The proposed regulation amendment will add clarity to the verifier certification and decertification processes. There is not one specific industry that it will regulate, but it has the potential to affect businesses who are involved in the Conservation Credit System, including independent consultants, consulting firms, ranches, and mining, energy, and technology companies.

a. Both adverse and beneficial, direct and indirect effects:

The proposed regulation change will not directly affect businesses, but has the potential for indirect economic effects, both adverse and beneficial.

Adverse economic effects could arise from the cost of traveling to the Reno/Carson City area for the full in-person training, required once every five years for each person certified. Additionally, adverse effects could occur if a certified verifier chooses not to adhere to rules and standards set forth by the SEP and is subsequently decertified through a standardized process and

disciplinary hearing. Decertification would result in a loss of opportunity to conduct work as a verifier for the CCS, and the associated loss of income. For other small businesses, indirect economic effects could occur from the need to hire a new verifier and potential project delays if their verifier is decertified.

Indirect beneficial economic effects on small businesses are also expected as a result of this regulation change. Once certified, verifiers can generate significant income by performing work for CCS Project Proponents (on average, rates for consulting work can range from approximately \$100 - \$200/hour). Additionally, by requiring rigorous training and holding verifiers accountable when they do not adhere to the SEP's rules and standards, the SEP can ensure that businesses who hire verifiers will not pay extraneous consulting charges or experience significant project delays when work is completed inefficiently or incorrectly.

(b) Estimated economic effect on the public:

There is no anticipated economic effect on the general public.

- 1) Both adverse and beneficial effects, immediate and long-term effects: N/A. There is no anticipated economic effect on the general public.
 - (c) Estimated cost by the agency for enforcement of the proposed regulation:

The enforcement of the regulation falls within current operations of the Program; therefore, there will be no additional cost to the agency above the current legislatively approved budget.

6. A description of any regulations for other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency:

This Regulation does not duplicate any existing federal, state, or local standards regulating the same activity.

7. If the regulation includes provisions which are more stringent than a federal regulation which regulates the same activity, a summary of such provisions. The statement must include the specific citation of the federal statute or regulation requiring such adoption:

This Regulation does not duplicate any existing federal, state, or local standards regulating the same activity, thus it is not more stringent than a federal regulation relating to the same activity.

8. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used:

The proposed regulation does not provide for new fees or increase an existing fee.

We are pleased to provide reasonable accommodations for individuals with disabilities who wish to attend the meeting. If special accommodations or assistance at the meeting are requested, please notify our office by writing to the Sagebrush Ecosystem Program, 201 S. Roop Street, Suite 101, Carson City, NV 89701; or by calling 775-687-2005 no later than two (2) working days prior to the scheduled meeting. You can also email Kathleen Steele at ksteele@sagebrusheco.nv.gov

A copy of this Notice and the Regulations to be adopted, amended, or repealed will be on file at the State Library, Archives and Public Records, 100 North Stewart Street, Carson City, Nevada for inspection by members of the public during business hours. Additional copies of the notice and the regulation to be adopted, amended, or repealed will be on file at the Sagebrush Ecosystem Program, 201 S. Roop Street, Suite 101, Carson City, NV 89701 for inspection by members of the public during business hours. In all counties in which an office of the agency is not maintained, the proposed regulation may be reviewed and copied at the main public library, during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at http://www.leg.state.nv.us/. Copies of this notice and the proposed regulation will also be mailed to members of the public at no charge upon request.

Please contact Kathleen Steele at 201 S. Roop Street, Suite 101, Carson City, NV 89701; or by calling 775-687-2005; or by emailing ksteele@sagebrusheco.nv.gov, to obtain support material before or after the meeting. Materials will also be posted on the http://sagebrusheco.nv.gov website. The agency's small business impact statement is attached.

Upon adoption of any regulation, the Agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

Notice of this meeting was posted in the following locations:

Department of Conservation and Natural Resources, 901 S. Stewart Street, Carson City, NV

Nevada State Library and Archives, 100 S. Stewart Street, Carson City, NV

Department of Wildlife, 6980 Sierra Pkwy #120, Reno, NV

Sagebrush Ecosystem Program, 201 S. Roop Street, Carson City, NV

Department of Agriculture, 405 South 21st Street, Sparks, NV

Department of Wildlife, 1100 Valley Road, Reno, NV

Capitol Building, 101 North Carson Street, Carson City, NV

Legislative Building, 401 South Carson Street, Carson City, NV

Carson City Library, 900 North Roop Street, Carson City, NV

Churchill County Library, 553 South Main Street, Fallon, NV

Las Vegas-Clark County Library District Headquarters, 833 Las Vegas Boulevard North, Las Vegas, NV

Douglas County Public Library, 1625 Library Lane, Minden, NV

Elko County Library, 720 Court Street, Elko, NV

Esmeralda County Library, Corner of Crook and 4th Street, Goldfield, NV

Eureka County Library, 80 Monroe Street, Eureka NV

Humboldt County Library, 85 East 5th Street, Winnemucca, NV

Battle Mountain Branch Library, 625 South Broad Street, Battle Mountain, NV

Lincoln County Library, 63 Main Street, Pioche, NV

Lyon County Library System, 20 Nevin Way, Yerington, NV

Mineral County Public library, 110 First Street, Hawthorne, NV

Pershing County Library, 1125 Central Avenue, Lovelock, NV

Storey County Treasurer and Clerk's Office, 265 B Street Drawer D, Virginia City, NV

Tonopah Public Library, 167 South Central Street, Tonopah, NV

Washoe County Library System, 301 South Center Street, Reno, NV

White Pine County Library, 950 Campton Street, Ely, NV

Notice of this meeting was also posted on the Sagebrush Ecosystem Program website at: http://sagebrusheco.nv.gov and the Nevada Public Notices Website at http://notice.nv.gov/ and the Nevada State Legislature Website at https://www.leg.state.nv.us/.

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PROPOSED TEMPORARY REGULATION OF

THE SAGEBRUSH ECOSYSTEM COUNCIL

December 2024

AUTHORITY: Statutes of Nevada 2013, NRS 232.162 of Assembly Bill No. 461; Statutes of Nevada 2013, NRS 321.592 of Assembly Bill No. 461; Statutes of Nevada 2013, NRS 321.594 of Assembly Bill No. 461

A REGULATION to clarify NAC 232.480 with respect to verifier certification and decertification

Summary:

NRS 232.162 provides authority for the Sagebrush Ecosystem Council to adopt regulations specific to the management of sagebrush ecosystems and the establishment and oversight of a mitigation program to offset certain disturbances to Greater Sage-Grouse habitat. The Sagebrush Ecosystem Council is a governor-appointed council, established to create and carry out strategies for "the conservation of the Greater Sage-Grouse and sagebrush ecosystems in this State" as well as other strategies outlined in NRS 232.162. NRS 321.592 and NRS 321.594 provides authority for the Division of State Lands to adopt regulations for the oversight and administration of a program to mitigate damage to sagebrush ecosystems. NAC 232.480 provides authority for the Sagebrush Ecosystem Technical Team to train and certify verifiers for the Conservation Credit System. The proposed addition to NAC 232.480 will detail requirements for becoming a certified verifier and the decertification process.

CHAPTER 232 STATE DEPARTMENTS

SAGEBRUSH ECOSYSTEM COUNCIL: MITIGATION OF ADVERSE IMPACT TO GREATER SAGE-GROUSE AND HABITAT

232.400	Definitions.
232.405	"Anthropogenic disturbance" defined.
232.410	"Credit" defined.
232.413	"De minimis impact" defined.
232.415	"Debit" defined.
232.420	"Greater sage-grouse" defined.
232.423	"Habitat quantification tool" defined.
232.430	"Mineral exploration" defined.
232.433	"Nevada Conservation Credit System" defined.
232.438	"Program Manager" defined.
232.440	"Public lands" defined.
232.445	"Sagebrush Ecosystem Council" defined.
232.447	"Sagebrush Ecosystem Technical Team" defined.
232.450	"Verifier" defined.
232.460	Applicability.
232.470	Duties of person or entity proposing activity or project on
	public lands that will cause anthropogenic disturbance;
	submission of certain information to Sagebrush
	Ecosystem Technical Team; criteria for approval of
	mitigation plan by Council.
<u>232.475</u>	Issuance of certification of mitigation by Program Manager;
	compliance with terms set forth in certification.
<u>232.480</u>	Training and certification of verifiers by Sagebrush
	Ecosystem Technical Team; maintenance of list
	of trained and certified verifiers.

SAGEBRUSH ECOSYSTEM COUNCIL: MITIGATION OF ADVERSE IMPACT TO GREATER SAGE-GROUSE AND HABITAT

NAC 232.400 Definitions. (NRS 232.162) As used in NAC 232.400 to 232.480, inclusive, unless the context otherwise requires, the words and terms defined in NAC 232.405 to 232.450, inclusive, have the meanings ascribed to them in those sections.

(Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.405 "Anthropogenic disturbance" defined. (NRS 232.162) "Anthropogenic disturbance" means any direct or indirect adverse impact to the greater sage-grouse or the habitat of the greater sage-grouse, as determined by the Sagebrush Ecosystem Council.

(Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.410 "Credit" defined. (NRS 232.162) "Credit" means a unit of habitat conservation of the greater sage-grouse as quantified pursuant to the habitat quantification tool or other method approved by the Sagebrush Ecosystem Council.

(Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.413 "De minimis impact" defined. (NRS 232.162) "De minimis impact" means an anthropogenic disturbance for which the adverse impact to the greater sage-grouse or the habitat of the greater sage-grouse has been determined by the Sagebrush Ecosystem Council to be minor or trivial. (Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.415 "Debit" defined. (NRS 232.162) "Debit" means a unit of loss or degradation of habitat of the greater sage-grouse caused by an anthropogenic disturbance as quantified pursuant to the habitat quantification tool.

(Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.420 "Greater sage-grouse" defined. (NRS 232.162) "Greater sage-grouse" means the species of bird classified as *Centrocercus urophasianus*.

(Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.423 "Habitat quantification tool" defined. (NRS 232.162) "Habitat quantification tool" means the science-based method of calculating debits and credits in the Nevada Conservation Credit System.

(Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.430 "Mineral exploration" defined. (NRS 232.162) "Mineral exploration" means the exploration of gas, oil, coal and other gaseous, liquid and solid hydrocarbons, oil shale, cement material, sand, gravel, road material, building stone, chemical raw material, gemstone, fissionable and nonfissionable ores, colloidal and other clay, steam and other geothermal resources, precious metals, base metals and industrial minerals.

(Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

- NAC 232.433 "Nevada Conservation Credit System" defined. (NRS 232.162) "Nevada Conservation Credit System" means the system established by the Sagebrush Ecosystem Council pursuant to NRS 232.162 that calculates:
 - 1. Debits that will be caused by a proposed activity or a project.
- 2. Credits that are created to protect, enhance or restore sagebrush ecosystems. (Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.438 "Program Manager" defined. (NRS 232.162) "Program Manager" means the program manager of the Sagebrush Ecosystem Technical Team.

(Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.440 "Public lands" defined. (NRS 232.162) "Public lands" means all lands within the exterior boundaries of the State of Nevada except lands to which title is held by any private person, private entity or local government.

(Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.445 "Sagebrush Ecosystem Council" defined. (NRS 232.162) "Sagebrush Ecosystem Council" means the Sagebrush Ecosystem Council created by NRS 232.162. (Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.447 "Sagebrush Ecosystem Technical Team" defined. (NRS 232.162) "Sagebrush Ecosystem Technical Team" means the interagency technical team created by the Governor pursuant to Executive Order No. 2012-19 to support the Sagebrush Ecosystem Council. (Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.450 "Verifier" defined. (NRS 232.162) "Verifier" means a person trained and certified by the Sagebrush Ecosystem Technical Team to use the habitat quantification tool for the purpose of calculating:

- 1. The debits related to an anthropogenic disturbance; and
- 2. The number of credits necessary to offset such debits (Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.460 Applicability. (NRS 232.162)

- 1. Except as otherwise provided in this section and to the extent it is not prohibited by federal law, the provisions of NAC 232.400 to 232.480, inclusive, apply to any person or entity that proposes an activity or project on public lands subject to state or federal review, approval or authorization, that will cause an anthropogenic disturbance.
 - 2. The provisions of NAC 232.400 to 232.480, inclusive, do not apply to:
 - (a) A direct anthropogenic disturbance on private lands;
- (b) An activity or project which was approved by all relevant federal agencies and state agencies before December 7, 2018, so long as the activity or project maintains compliance with any condition or requirement for any such approval;
- (c) An activity or project using a mitigation agreement or framework agreement for greater sage-grouse signed by the United States Fish and Wildlife Service before December 7, 2018, and any amendments thereto:
 - (d) A mineral exploration project which is limited to a surface disturbance of not more than 5 acres;
 - (e) An activity or project that:
 - (1) Is necessary to protect public health or safety; or
 - (2) Will have a de minimis impact to greater sage-grouse and sagebrush ecosystems in this State; or
 - (f) Any emergency activity or routine administrative activity that:
- (1) Is performed by a federal agency, state agency, local government or utility for a public purpose; and
- (2) Does not require any additional approval from the Federal Government or the State. (Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.470 Duties of person or entity proposing activity or project on public lands that will cause anthropogenic disturbance; submission of certain information to Sagebrush Ecosystem Technical Team; criteria for approval of mitigation plan by Council. (NRS 232.162)

- 1. Any person or entity that proposes an activity or a project on public lands, subject to state or federal review, approval or authorization, that will cause an anthropogenic disturbance shall:
- (a) Submit to the Sagebrush Ecosystem Technical Team sufficient information for determining the adverse impact the proposed activity or project will have to the greater sage-grouse or the habitat of the greater sage-grouse, including, without limitation, geographic information system data files and work with the Sagebrush Ecosystem Technical Team to avoid and minimize such adverse impact to the greatest extent possible; and
 - (b) Have the direct and indirect impacts of the anthropogenic disturbance:
- (1) Quantified by a verifier in terms of the number of debits that the activity or project will cause. Upon completion of his or her calculations, the verifier shall submit the calculations to the Program Manager. The Program Manager shall use the habitat quantification tool and available field data to conduct a quality assurance of the calculations of the verifier not later than 30 days after the verifier submits his or her final calculations to the Program Manager. If there is a difference between the calculations of debits by the verifier and Program Manager, the Program Manager will work with the verifier to finalize the calculation. If there is still a difference between the calculations of debits by the verifier and the Program Manager, the calculations of debits by the Program Manager apply to the activity or project; and
 - (2) Mitigated by:
- (I) Acquiring from or transferring a sufficient number of credits in the Nevada Conservation Credit System to offset the number of debits determined pursuant to subparagraph (1); or
- (II) Developing a mitigation plan with the Sagebrush Ecosystem Technical Team approved by the Sagebrush Ecosystem Council pursuant to subsection 2 that will generate enough credits to offset the direct and indirect adverse impacts the proposed activity or project will have to the greater sage-grouse or the habitat of the greater sage-grouse.
- 2. In determining whether to approve a mitigation plan, the Sagebrush Ecosystem Council must consider:
- (a) The conservation actions that are included in the plan and the number of credits to be generated from such conservation actions;
 - (b) The location where the credits will be generated;
 - (c) The length of time necessary to generate the credits;
 - (d) The length of time the credits will be maintained;
- (e) Whether the credit durability provisions of the plan include appropriate mechanisms to ensure that a sufficient number of credits will be maintained for the appropriate amount of time; and
- (f) Whether the financial provisions ensure maintenance of the credits for the duration of the activity or project.

(Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.475 Issuance of certification of mitigation by Program Manager; compliance with terms set forth in certification. (NRS 232.162)

- 1. Not later than 10 working days after completion of the process set forth in <u>NAC 232.470</u>, the Program Manager must issue to the person or entity that is proposing the activity or project a certification of mitigation that sets forth:
- (a) The number of credits that the person or entity will acquire from or transfer to the Nevada Conservation Credit System; or
- (b) The mitigation plan approved by the Sagebrush Ecosystem Council pursuant to <u>NAC 232.470</u> that will mitigate the direct and indirect adverse impacts that the proposed activity or project will have to the greater sage-grouse or the habitat of the greater sage-grouse.
- 2. The person or entity to whom a certification of mitigation is issued must ensure compliance with the terms set forth in the certification of mitigation for the duration of the activity or project. (Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

NAC 232.480 Training and certification of verifiers by Sagebrush Ecosystem Technical Team;

maintenance of list of trained and certified verifiers. (NRS 232.162) The Sagebrush Ecosystem Technical Team shall:

- 1. Train and certify persons to be verifiers; and
- 2. Maintain a list on the Internet website of the Sagebrush Ecosystem Program of all verifiers who have been so trained and certified for the current calendar year.

(Added to NAC by Sagebrush Ecosystem Council by R024-19, eff. 10-30-2019)

- 3. *All verifiers must complete the following prior to being certified:*
 - a. Field verifiers must have all of the following:
 - i. A Bachelor's degree in natural resource management, ecology, forestry, wildlife management, environmental science or equivalent work experience.
 - ii. At least two (2) years' experience in Great Basin plant identification, familiarity and experience with plant identification in Northern Nevada is preferred.
 - iii. <u>At least two (2) years' experience with standard quantitative vegetative field data collection methods (i.e., line-intercept, Daubenmire plots, photo points).</u>
 - iv. At least one (1) years' experience using GPS unit and software.
 - b. Desktop verifiers must have all of the following:
 - i. <u>A Bachelor's degree in GIS, natural resources management, ecology, forestry, wildlife management, environmental science, or equivalent work experience.</u>
 - ii. At least two (2) years' experience using ESRI ArcGIS software to conduct advanced spatial analysis.
 - iii. At least two (2) years' experience in Great Basin, familiarity and experience with geography and ecosystems of Northern Nevada is preferred.
 - c. Must complete the State of Nevada's CCS Verification Training.
 - d. Must pass the State of Nevada's CCS Verification Training Exam.
- 4. <u>Certifications will need to be renewed annually through a refresher course and every five years through a full retraining and retesting.</u>
- 5. The Program Manager may refuse to certify an applicant or, after examination, may refuse to certify an eligible person who:
 - a. <u>Lacks any of the preliminary requirements established for the examination for the certificate</u> for which the applicant or eligible person applies,
 - b. Has made a false statement of any material fact, or
 - c. Has practiced, or attempted to practice, any deception or fraud in the certificate or examination of the applicant or eligible person, or in securing the certification of the applicant or eligible person.
- 6. When the Program Manager refuses to examine an applicant or, after an examination, refuses to certify an eligible person, the applicant or eligible person may request the Program Manager to furnish to the applicant or eligible person a statement of the reasons for the refusal to examine or the refusal to certify, as the case may be. The Program Manager shall furnish the statement upon request.
 - a. <u>If the Program Manager refuses to examine an applicant or, after an examination, refuses to certify an eligible person, the applicant or eligible person may make an appeal to the Finder of Fact. If the Finder of Fact finds that the Program Manager is in error in refusing to</u>

- examine an applicant or in refusing to certify an eligible person, the Finder of Fact shall order the Program Manager to examine or certify, and the Program Manager shall comply.
- 7. Should there be evidence enough to consider a verifier, certified through Nevada Administrative Code (NAC) 232.400-232.480, a risk to the integrity or workload of the Sagebrush Ecosystem Program, the following shall be completed:
- 8. *Causes for disciplinary action are as follows:*
 - a. Activity which is incompatible with a verifier's conditions of certification, or which violates a state or federal provision,
 - b. Disgraceful or discourteous treatment of the public, staff, or other Verifiers,
 - c. <u>Incompetence, inefficiency, or inexcusable neglect of duty that creates an undue burden on</u> the Sagebrush Ecosystem Program,
 - d. Fraud, dishonesty, or misrepresentation to the Sagebrush Ecosystem Program, its Proponents, or the public,
 - e. <u>Abuse, damage to or waste of public equipment, property, or supplies because of inexcusable negligence or willful acts,</u>
 - f. Drug or alcohol use or abuse without a medical doctor's prescription while representing the Sagebrush Ecosystem Program,
 - g. Conviction of any criminal act involving moral turpitude, or documentation of acts of violence that arise out of or during the performance of the Verifier's duties,
 - h. Violation of any rule of the Sagebrush Ecosystem Program, or
 - i. <u>Failure to participate in any investigation in which the Verifier is the subject of alleged</u> discrimination, sexual harassment, or any other investigation authorized by the Sagebrush <u>Ecosystem Program.</u>
- 9. Should the Program Manager become aware of any action of a Verifier listed above, the Program Manager will issue a verbal warning to the Verifier that details the cause for disciplinary action and required improvement.
 - a. The verbal warning will be documented by the Sagebrush Ecosystem Program via written, electronic, or paper means, and a copy of such documentation will be supplied to the Verifier.
 - b. This step may be done multiple times for various causes for disciplinary actions.
 - c. Should the Verifier contest any allegations brought forth against them, they are able to request a meeting with the Finder of Fact to contest the step in the decertification process within 30 days of the receipt of the verbal warning.
- 10. If the verbal warning does not cause a correction of the action, various offenses cumulatively add up to a more concerning issue, or a more severe initial action is warranted, a written warning must be sent to the Verifier's last known mailing address by means of a delivery service that provides a written or electronic record of the date the notice was sent and the date the notice was received.
 - a. The warning must outline the concerns and give the Verifier a timeline to show improvement.
 - b. If the notice is returned without having been received by the Verifier, the Verifier's date of receipt shall be deemed to be the third day after the date the notice was sent.

- c. Should the Verifier contest any allegations brought forth against them, they are able to request a meeting with the Finder of Fact to contest the step in the decertification process within 30 days of the receipt of the written warning.
- 11. If the proper corrective action is not completed within the timeframe set above, the Verifier will be notified of suspension of their certification, with the possibility of a full decertification, and a disciplinary hearing will be set with the Deputy Director of DCNR as the Finder of Fact pursuant to NRS 233B.121-150, or if the Verifier so requests, the Finder of Fact may be changed to the Sagebrush Ecosystem Council (SEC), and the hearing can be held at the next public SEC meeting, or if the SEC chooses, a special meeting, but in all circumstances in compliance with the open meeting laws.
 - a. The Verifier must be given at least 10 working days' notice of the hearing by means of a delivery service that provides a written or electronic record of the date the notice was sent and the date the notice was received.
 - b. The notice must include all of the following:
 - i. A statement of the time, place, and nature of the hearing.
 - ii. A statement of the legal authority and jurisdiction under which the hearing is to be held.
 - iii. A reference to the particular sections of the statutes and regulations involved.
 - iv. A short and plain statement of the matters asserted. If the agency or other party is unable to state the matters in detail at the time the notice is served, the initial notice may be limited to a statement of the issues involved. Thereafter, upon application, a more definite and detailed statement must be furnished.
 - c. If the notice is returned without having been received by the Verifier, the Verifier's date of receipt shall be deemed to be the third day after the date the notice was sent.
 - d. The written notice must inform the Verifier that a disciplinary hearing has been scheduled on his or her behalf and specify the date, time, and place of the hearing.
 - e. <u>If the Program Manager and the Verifier agree, the date of the disciplinary hearing may</u> be changed.
 - f. If the Verifier does not understand the reasons for the suspension or decertification or the procedures related to disciplinary actions, the Verifier may seek an explanation from the Sagebrush Ecosystem Program or another person in the agency familiar with the procedure.
 - g. The Verifier may waive the right to a disciplinary hearing in writing. If so, the date of decertification is effective immediately.
 - h. The Finder of Fact makes the final decision at the hearing, and a copy of the final decision will be provided in writing by means of a delivery service that provides a written or electronic record of the date the notice was sent and the date the notice was received to the Verifier and, if applicable, the effective date of decertification.
- 12. The procedures specified above need not be followed before decertifying a Verifier if the circumstances give the Sagebrush Ecosystem Program a reasonable cause to believe that the certification of the Verifier poses a threat to life, limb or property or may be detrimental to the interests of the State or the Sagebrush Ecosystem Program's Proponents.
- 13. <u>The Program Manager may reinstate a former Verifier following his or her decertification from</u> the Sagebrush Ecosystem Program after a period of 5 years, so long as the subject Verifier

formerly reapplies and abides by all the requirements for Verifier certification. Additionally, the Verifier needs to have completed and/or finished any requirements that the Finder of Fact from the decertification hearing required of the Verifier in fact-finder's written findings before the Verifier may apply for recertification.

a. A person re-earning verification will be subject to a 5-year probationary period in which any disciplinary action will immediately initiate the Decertification Process at step 5.

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JOE LOMBARDO

Kathleen Steele, Program Manager Cheyenne Acevedo, Wildlife Casey Adkins, Forestry/Wildland Fire Sarah Hale, State Lands Skyler Monaghan, Agriculture

FORM 4:

NEVADA SAGEBRUSH ECOSYSTEM PROGRAM SMALL BUSINESS IMPACT DISCLOSURE PROCESS PURSUANT TO 233B "Nevada Administrative Procedures Act"

The purpose of this Form is to provide a framework pursuant to NRS 233B.0608 for drafting and submitting a Small Business Impact Statement (SBIS) to the Sagebrush Ecosystem Council in order to determine whether a SBIS is required to be noticed and available at the public workshop. A SBIS must be completed and submitted to the Legislative Counsel Bureau for ALL adopted regulations.

Note: Small Business is defined as a "business conducted for profit which employs fewer than 150 full-time employees" (NRS 233B.0382).

To determine whether a SBIS must be noticed and available at the public workshop, answer the following questions:

2. Does this proposed regulation impose a direct and significant economic burden upon a small business? (state yes or no. If no, please explain and submit the applicable documentation, which can also be addressed in #8 on the SBIS and simply referred to; and if yes, reference the attached SBIS)

No. See Question 8.

3. Does this proposed regulation restrict the formation, operation or expansion of a small business? (state yes or no. If no, please explain and submit the applicable documentation, which can also be addressed in #8 on the SBIS and simply referred to; and if yes, reference the attached SBIS)

Yes, See attached Small Business Impact Statement

If **Yes** to either of question 1 & 2, a SBIS must be noticed and available at the public workshop.

FORM 4: SMALL BUSINESS IMPACT STATEMENT (NRS 233B.0609) (Provide attachments as needed)

1. Describe the manner in which comment was solicited from affected small businesses, a summary of the response from small businesses and an explanation of the manner in which other interested persons may obtain a copy of the summary. (Attach copies of the comments received and copies of any workshop attendance sheets, noting which are identified as a small business.)

The Sagebrush Ecosystem Program (SEP) sent a questionnaire out to all known affected businesses, which included independent consultants, consulting firms, ranches, and mining/energy/technology companies. It was determined that there are 105 small businesses in Nevada that may be impacted by the regulation change. All entities captured and not captured by this mailing were able to voice their concerns during the workshop on October 30, 2024 in the Tahoe 2-E Conference Room at the Department of Conservation and Natural Resources, 901 S. Stewart St., Carson City, Nevada, and will have another opportunity to voice concerns during the hearing to be held on December 13, 2024 in the main conference room of the Nevada Department of Wildlife, 6980 Sierra Center Pkwy. #120, Reno, NV 89511.

Of the one hundred and five questionnaires sent out, four were undeliverable, and one was returned with answers (attached at the end of this form). The main concern was the indirect cost associated with attending in-person verifier certification training. Although training is provided free of charge, attendees must pay for their own travel, lodging, and food.

One person attended the October 30, 2024 workshop in-person, and five attended online. Two of the six attendees were part of small businesses that could potentially be affected by the regulation. Constructive feedback on the proposed regulation amendment was provided, but no concerns about the economic effects of the regulation were expressed during the workshop.

Minutes of the public workshop and subsequent hearing will capture the discussions held regarding the amended regulation. These may be obtained online at sagebrusheco.nv.gov no later than 30 days after each meeting.

2. The manner in which the analysis was conducted (if an impact was determined).

As noted above, the SEP solicited input from all known small businesses who may be affected by the regulation change. The regulation would primarily affect small businesses who are involved in the Conservation Credit System (CCS), including independent consultants, consulting firms, ranches, and small mining, energy, and technology firms. Few concerns were voiced through the questionnaire and the October 30, 2024 workshop, but those affected will have one more opportunities to provide input and participate in the process during the December 13, 2024 hearing.

- 3. The estimated economic effect of the proposed regulation on small businesses:
 - a. Both adverse and beneficial effects:

The proposed regulations will codify two SEP policies that relate to third-party verifiers for the CCS. Verifiers are consultants hired by CCS project proponents to act as an unbiased third-

party to accurately assess ecosystem conditions at a potential project site for Greater Sage-grouse mitigation. The proposed regulation changes will codify 1) requirements for becoming and remaining a certified verifier for the CCS, and 2) the verifier decertification process for when rules and/or standards are not adhered to.

The proposed regulation change will not directly affect small businesses, but has the potential for indirect economic effects, both adverse and beneficial.

Adverse economic effects could arise from the cost of traveling to the Reno/Carson City area for the full in-person training, required once every five years for each person certified. Additionally, adverse effects could occur if a certified verifier chooses not to adhere to rules and standards set forth by the SEP and is subsequently decertified through a standardized process and disciplinary hearing. Decertification would result in a loss of opportunity to conduct work as a verifier for the CCS, and the associated loss of income. For other small businesses, indirect economic effects could occur from the need to hire a new verifier and potential project delays if their verifier is decertified.

Indirect beneficial economic effects on small businesses are also expected as a result of this regulation change. Once certified, verifiers can generate significant income by performing work for CCS Project Proponents (on average, rates for consulting work can range from approximately \$100 - \$200/hour). Additionally, by requiring rigorous training and holding verifiers accountable when they do not adhere to the SEP's rules and standards, the SEP can ensure that small businesses who hire verifiers will not pay extraneous consulting charges or experience significant project delays when work is completed inefficiently or incorrectly.

b. Both direct and indirect effects:

Same as above.

4. A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of the methods. (Include a discussion of any considerations of the methods listed below.)

The SEP has worked to improve documents and training materials for verifier certification to ensure those becoming certified are clear of the process, their role, and responsibilities.

The SEP has considered methods to minimize the burden of the regulation on the most affected small businesses through several means:

- Providing verifier certification training free of charge
- Requiring in-person attendance for re-certification every 5 years instead of at more frequent intervals
- Offering a virtual option for re-certification in years between a verifier's required in-person training
- Allowing for multiple warnings prior to initiating the decertification process
- Allowing an appeals process at several points during the decertification process

A. Simplification of the proposed regulation:

• See above

- B. Establishment of different standards of compliance for a small business:
 - NA
- C. Modification of fees or fines so that a small business in authorized to pay a lower fee or fine:
 - See above
- 5. The estimated cost to the agency for enforcement of the proposed regulation. (Include a discussion of the methods used to estimate those costs.)

The enforcement of the regulation falls within current operations of the Program; therefore, there will be no additional cost to the agency above the current legislatively approved budget.

6. If this regulation provides for a new fee or increases an existing fee, the total annual amount the agency expects to collect and manner in which the money will be used.

The proposed regulation does not provide for new fees or increase an existing fee.

7. If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, provide and explanation of why such duplicative or more stringent provisions are necessary.

There is no other federal, state, or local standard regulating the activity of verifiers certified by the SEP.

8. The reasons for the conclusions regarding the impact of a regulation on small businesses.

After an analysis of the 105 impacted businesses that the Program is aware of, it was determined that the regulation has the potential to cause indirect financial impacts (both adverse and beneficial) on smaller businesses. The SEP has mitigated the costs of attending in-person training as much as possible (as discussed in number 4) while still ensuring the integrity of the program. Other indirect adverse impacts can be avoided by verifiers adhering to the rules and standards set forth by the SEP. A workshop and a subsequent hearing will be held to acquire more comments from the public and affected businesses.

I certify that to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on a small business and the information contained in this statement was prepared properly and is accurate.

10/31/2024

Kathleen Steele, Program Manager, Sagebrush Ecosystem Program Date

http://www.leg.state.nv.us/Statutes/77th2013/Stats201314.html#Stats201314page2304

Appendix A. Returned Small Business Impact Questionnaires

NRS 233B.0382 "Small Business defined." "Small business" means a business conducted for profit, which employs fewer than 150 full-time or part-time employees. 1. How many employees are currently employed by your business in Nevada? NA If more than 150, you will not need to answer the rest of the questions. Please mail or email questionnaire to the above address. If less than 150, please continue with the remaining questions. We are based in Wyoming. We have 35 employees. Though we are not a Nevada-based business, we work in Nevada annually for the NVSGCCS program and other project types. 2. Will this regulation have a direct adverse economic effect upon your business? Yes X No □ Explain the adverse effect to your business including estimated losses, monetary or otherwise: The additional cost of attending the in-person training will have an adverse effect on our business. It can cost an estimated \$10,000 to train one individual at the in-person certification training. This cost is much higher than it is for us to attend the training remotely. 3. Will the regulation have any direct beneficial effect upon your business? Yes No X Explain the beneficial effect to your business including estimated gains, monetary or otherwise: I do not believe there will be any marked benefit to Y2 Consultants with the regulation change. 4. Do you anticipate any indirect adverse effects upon your business? Yes \square No X Explain the adverse effect to your business including estimated losses, monetary or otherwise: I do not anticipate any indirect adverse effects. 5. Do you anticipate any indirect beneficial effects upon your business? Yes \square No X Explain the beneficial effect to your business including estimated gains, monetary or otherwise: I do not anticipate any indirect beneficial effects.

Appendix B. List of all Workshop Attendees

Name	Affiliation	Attendance	Small Business?
Nick Atiemo	National Oilwell Varco - Big Ledge Mine	Virtual	No
Kyle Davis	Pinyon Public Affairs	Virtual	No
Ian Dudley	Stantec	Virtual	No
Danielle Goodman	Y2 Consultants	Virtual	Yes
Adrian Juncosa	EcoSynthesis Scientific & Regulatory Services	In-person	Yes
Kieth Testerman	Nevada Gold Mines	Virtual	No

Appendix C. Summary of Comments and Responses

Comment	Response
My name is Adrian Juncosa, and I've been a CCS	
verifier since the inception of the program in 2016. I'm	
a long-time expert in vegetation sampling and	
characterization and have collaborated with Pete	
Coates' research group on some field research on	
attempts to improve vegetation sampling and	
characterization. I'm a big supporter of the program's	
concept and very supportive of making sure that	
verifiers do an accurate and rigorous job of all aspects	
of debit and credit projects so I'm not opposing this	
amendment. However, I'm concerned that, without	
revision, the wording of the proposed amendment for	
NAC232.480 is not entirely in the program's best	
interest. To my knowledge, the HQT and, critically, the	
debit/credit calculator spreadsheets never had a	
public comment period before being implemented.	
This is unfortunate because there are some significant	
scientific flaws in it or improvements that could be	
made, which I pointed out more than once a long time	
ago to staff who are no longer with the SETT. I was	
asked not to discuss these concerns with potential	
applicants and haven't done so, even though I think	
it's wrong. It's a concern now because the proposed	
decertification language seems to me to allow for the	
program to permanently disqualify verifier if they	
discuss some aspects of the system that is deemed to	
be a "misrepresentation" of have an adverse impact	
on the program. Not only is that free speech concern,	
but it also makes it even harder than it already is ever	
to improve the program. I strongly urge to ensure that	
an addition be made to the proposed amendment that	
explicitly protects legitimate objective comment on	
the CCS program. I would also urge careful	
consideration of whether all of the proposed causes	
for disciplinary action are justified by what verifiers	
actually do and sufficiently specific for us to be sure	
we are in compliance (for example. 8A, 8H). The	
public has never been able to see what the formulas	
are in the calculator spreadsheets, so I have no way to	
know whether my understanding is a	
misrepresentation of not. But as best as I can	
determine indirectly, one respect in which the current	
CCS system is inconsistent with published research	
results in large overestimates debits, thus imposing a	
significant financial penalty on some project but not	

We took this comment into consideration.	
Program documents outline the process for	
submitting questions, concerns, comments,	
and constructive criticism to the SETT (see the	
'Update Protocol & Tools' section of the CCS	
Manual). We will ensure that our program	
documents clarify that disciplinary action will	
not occur as a result of these submissions.	
This process is outlined in the 'Update	
Protocol & Tools' section of the CCS Manual.	
We have removed this requirement from the	
proposed NAC amendment.	
We clarified that we will not be retroactively	
reviewing certified verifiers' qualifications.	
We took this into account. Equivalent work	
experience will be accepted in place of a	
degree in GIS.	