

# **WORK SESSION DOCUMENT**

# LEGISLATIVE COMMITTEE FOR THE REVIEW AND OVERSIGHT OF THE TAHOE REGIONAL PLANNING AGENCY AND THE MARLETTE LAKE WATER SYSTEM

(Nevada Revised Statutes [NRS] 218E.555)

August 16, 2024

# **INTRODUCTION**

The Chair and Legislative Counsel Bureau (LCB) staff of the Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency (TRPA) and the Marlette Lake Water System have prepared this "Work Session Document" (WSD) to assist the Committee in determining which legislative measures it will request for the 2025 Session of the Nevada Legislature as well as other actions the Committee may endorse. The WSD contains a summary of recommendations presented during public hearings, through communication with individual Committee members, or through correspondence submitted to the Committee members or staff.

The Members of the Committee do not necessarily support or oppose the recommendations in this WSD. Committee staff has compiled and organized the proposals so that Committee Members can review them and decide whether they want to accept, reject, modify, or take no action on the recommendations. The WSD groups the proposals by topic, and they are not preferentially ordered.

Pursuant to NRS 218D.160, the Committee is limited to ten legislative measures, which includes both bill draft requests (BDRs) and requests for the drafting of resolutions. Additionally, subsection 5 of NRS 218E.560 requires that any recommended legislation proposed by the Committee must be approved by a majority of the members of the Senate and a majority of the members of the Assembly appointed to the Committee. In addition to legislative measures, the Committee may vote to: (1) send as many statements or letters of recommendation or support as it chooses; and (2) include statements in its final report. It should also be noted that any potential recommendations listed may or may not have a fiscal impact. Any potential fiscal impacts have not been determined at this time.

Committee members are advised that LCB staff, at the direction of the Chair, may coordinate with interested parties to obtain additional information for drafting purposes or for information to be included in the Committee's final report.

## **RECOMMENDATIONS**

## A. WATER SAFETY

1. **Request the drafting of a bill** to prohibit the operation of any watercraft vessel at a speed in excess of 5 nautical miles per hour within 600 feet of the water line of Lake Tahoe.

Background: In 2018, the TRPA adopted a <u>Shoreline Plan for Lake Tahoe</u>. Included in the 2018 Shoreline Plan, is a 600-foot 'no-wake zone' limiting maximum watercraft speeds within 600 feet of the waterline of Lake Tahoe. No-wake is defined as speeds of five nautical miles per hour or lower and is included in TRPA's Code of Ordinances (TRPA 84.10.1.C). The no-wake zone was put in place to prevent unsafe boating in areas where boaters, paddlers, and swimmers share the water, and to reduce noise and environmental impacts from boating. According to TRPA, higher speeds also create bigger boat wakes, which impact the shoreline causing erosion that harms Lake clarity. According to TRPA, codifying the 'no wake zone' will ensure consistency of rules for boaters, allow the State to enforce boating law more clearly, and enhance safety at Lake Tahoe. The TRPA will also be requesting California codify the no-wake zone in their 2025 Session.

Recommendation submitted by Julie Regan, Executive Director, TRPA.

## B. FUNDING

2. **Request the drafting of a bill** allowing cities and counties to form Business Improvement Districts (BID) to provide funding for transportation, housing, and mitigation of visitor activities in the Lake Tahoe Basin.

Background: According to TRPA, BIDs can provide a stable funding mechanism for destinations to fund activities and improvements by imposing an assessment on businesses within a specified geographic boundary. In 2021, local businesses in North Lake Tahoe, California agreed to self-assess and form a BID. This District collects an estimated \$6.5 million per year from multiple sectors of the local economy. According to TRPA, this funding has made a significant impact in North Lake Tahoe's ability to implement transportation, housing, and destination stewardship projects. While BID legislation exists in California and other states, there is currently no statute enabling BIDs in Nevada. The TRPA provides that BIDs are not formed unless there is a consensus of businesses who support the effort. Further, local cities and counties provide oversight of the operations of the BID.

Recommendation submitted by Julie Regan, Executive Director, TRPA.

3. **Request the drafting of a letter** to the Governor, the Senate Finance Committee, and the Assembly Committee on Ways and Means expressing the Committee's support for a State General Fund appropriation to maintain the State of Nevada's one-third share of operating funding for the TRPA for the 2025–2027 Biennium. The historic funding ratio for the TRPA is one-third/two-thirds for Nevada and California, respectively.

Recommendation submitted by Julie Regan, Executive Director, TRPA.

# C. HOUSING

4. **Request the drafting of a bill** allowing local jurisdictions within the Lake Tahoe Basin to charge an impact fee to developers of housing units greater than 1,000 square feet. The fees collected are to be used to pay for utility hookup, impact, and/or mitigation fees for housing units that are less than 1,000 square feet and are deed restricted for sale or rent to occupants with certain income levels to qualify as affordable, moderate, or achievable units.

Background: According to TRPA, among the impediments developers face in trying to provide affordable, moderate, and workforce housing is the cost of utility hook-up fees for water, sewer, and other utilities, as well as impact or mitigation fees for impacts like transportation, water quality, and air quality.

Recommendation submitted by Julie Regan, Executive Director, TRPA.

# D. TRANSPORTATION

- 5. **Request the drafting of a bill** to amend Article IX of the <u>Bi-State Compact</u>. This bill will not become effective until the State of California enacts substantially similar legislation. The proposed amendments would:
  - a. Establish the Lake Tahoe Basin Scenic Byway Corridor Recreation Safety Zone, and allow the Tahoe Transportation District (TTD), and their contractors, to issue parking tickets to illegally parked vehicles within the Safety Zone. The bill will provide that if the use of contractors is allowed, the writing of tickets will not be incentivized by basing contractor pay on number of tickets written and will not become effective until additional elements of Lake Tahoe transportation planning are in place.

Background: According to the TTD, the designated Lake Tahoe Basin Scenic Byway Corridor Recreation Safety Zone would consist of: (a) any portion of State Route 28, State Route 431, and United States Highway 50, or roadways linked to these highways owned by the State or the Department of Transportation and linked to a recreation destination within the Lake Tahoe Basin; and (b) any portion of State Route 28, State Route 431, and U.S. Highway 50 that has been designated as a Scenic Byway or State Scenic Byway. The TTD provides that with the high visitation the Lake Tahoe scenic corridors receive, roadside shoulder parking enforcement in the no parking zones and no parking signed areas is extremely difficult due to the limited staff of the Nevada Highway Patrol and local sheriffs.

Recommendation submitted by Carl Hasty, District Manager, TTD, with modifications by Chair Skip Daly.

b. Clarify that the TTD or other local governments are allowed to charge a fee for public parking at certain paved rights-of-way and off-highway parking areas along the State Route 28 Scenic Corridor that are connected by improved paved paths. The fees collected would remain in the Lake Tahoe Basin to be used by the partnering federal, state, and local agencies to administer the parking management programs, operate, and maintain the public parking lots, the connecting trails, and associated facilities (sanitation, signage), as well as public transit that provides the public access to their public lands.

Background: According to the TTD, this recommendation would help address roadblocks to providing a consistent or cohesive cross jurisdictional approach to parking management in Tahoe's public parking lots due to limits in legislation and/or management policies within agencies.

Recommendation submitted by Carl Hasty, District Manager, TTD

c. Add a tribal representative member to the TTD Board of Directors.

Recommendation submitted by Chair Skip Daly.

d. Impose a public transit surcharge on the per night charge for rental of any transient lodging in the Lake Tahoe Basin. The proceeds of the surcharge are to be paid by the lodging operator to the applicable county for distribution to the TTD. In Nevada, the surcharge shall be \$4.25 per night. Of the \$4.25 surcharge, \$0.25 will be distributed by TTD to the Tahoe Science Advisory Council to support its activities. The remainder of the surcharge will be used to support transportation needs in the Lake Tahoe Basin. The Board of the TTD will have the authority to provide a waiver of the \$4 surcharge to entities that already have a comparable surcharge to support transportation in the Lake Tahoe Basin (such as South Lake Tahoe and Douglas County).

Recommendation submitted by Chair Skip Daly.

6. **Request a resolution or a letter** to the Governor, the Senate Finance Committee, and the Assembly Committee on Ways and Means expressing support for a State General Fund appropriation of \$2.5 million for each fiscal year of the 2025–2027 Biennium for Nevada's portion of the funding strategy set forth in the Lake Tahoe Transportation Action Plan.

Background: The funding strategy, referred to as "7-7-7," seeks \$7 million per year from each sector for 20 years for high-priority, regionally significant transportation projects, as follows: federal—\$7 million per year; local/private—\$7 million per year; and State—\$7 million per year (Nevada—\$2.5 million per year, California—\$4.5 million per year.)

Recommendation submitted by Chair Skip Daly.

# E. REPORTING REQUIREMENTS

- 7. **Request the drafting of a bill** amending or eliminating certain reporting requirements by the Department of Conservation and Natural Resources (DCNR), as follows:
  - a. Eliminating the requirement for annual reporting to the LCB regarding Fire Prevention and Forest Health in the Nevada portion of the Lake Tahoe Basin. The report is required by NRS 528.150 and was established in 2009. According to the DCNR, the report has become obsolete and redundant.

Background: According to DCNR, the multi-agency coordination group called the Tahoe Fire and Fuels Team (TFFT) focuses on forest health and fire prevention across both California and Nevada and given that the TFFT agencies comprehensively plan, coordinate, implement, and report to TRPA all forest health and fire prevention activities across the Tahoe Basin (and those reports

can be provided as requested); the report has become obsolete and redundant. Additionally, while the statute mandates the compilation of the report before the end of the calendar year, any work completed in December is not included, unlike TRPA's tracker which allows reporting until January 15<sup>th</sup>.

Recommendation submitted by Kacey KC, State Forester Fire Warden, DCNR.

b. Amending the reporting requirement to the Nevada Board of Examiners regarding the *Nevada Land Bank Report* on lands or interests in land transferred, sold, exchanged, or leased in the Lake Tahoe Basin from quarterly to annually. An "interest in land" includes the right to cover the land with an impermeable surface. The report is required by NRS 325.050 and was established in 1969. According to DCNR, all Nevada Land Bank coverage sales, purchases, and transfers will continue to be reported to TRPA, as required by a Memorandum of Understanding, and are available upon request.

Background: According to DCNR, this reporting requirement originated from an amendment to the 1985 Tahoe Bond Act, which focused on real property acquisitions to preserve the Tahoe Basin's resources and natural beauty. In the 1990s, the program achieved its goal, acquiring nearly 500 parcels and fully expending bond funds. However, the reporting requirement continues.

Recommendation submitted by Charles Donohue, Administrator, Nevada Division of State Lands (NDSL), and State Land Registrar, DCNR.

## F. ENVIRONMENTAL IMPROVEMENTS

8. **Request the drafting of a bill** authorizing the release of the next phase of general obligation bonds in an amount of \$19 million to continue to implement Nevada's portion of the Lake Tahoe Environmental Improvement Program (EIP) for the 2025–2027 Biennium and including authority for the expenditure on EIP projects of any interest accumulated on proceeds from bond issuances for the EIP.

Background: <u>Chapter 431, Statutes of Nevada 2009</u>, authorized the sale of general obligation bonds or direct legislative appropriation in the amount of \$100 million to continue the State's investment in the Lake Tahoe EIP. The legislation allows NDSL to receive bond authority under the \$100 million cap through "installments" approved through the legislative process. Total authorizations to date total \$41.42 million of the \$100 million.

Recommendation submitted by Charles Donohue, Administrator, NDSL, and State Land Registrar, DCNR.

9. **Request the drafting of a bill** to provide that a logging permit is not required for cutting operations conducted by a landowner unless the operations conducted qualify as a legally defined logging operation.

Background: According to DCNR, by restricting the logging permit requirement to legally defined logging operations that meet the defined criteria, this change will reduce confusion and avoid the Nevada Division of Forestry (NDF) being required to issue logging permits for cutting operations and other activities that do not meet the definition of logging. Permitting all cutting operations with a logging permit creates delays in timing and increased cost for local fire protection districts, landowners, and

homeowners who are implementing best management practices to reduce wildfire risks to their lives, property, and the environment.

Recommendation submitted by Kacey KC, State Forester Fire Warden, DCNR.

10. **Request the drafting of a bill** granting the Nevada Division of State Parks (NDSP) an exemption from the requirement that funds collected be deposited "no later than the next day" and instead, allowing up to ten working days for such deposits.

Background: According to NDSP, this requirement to deposit funds exceeding a certain threshold "no later than the next day" is particularly challenging for parks like Sand Harbor during peak seasons when daily collections frequently exceed the threshold. During busy seasons, parks like Sand Harbor struggle to comply with the daily deposit requirement, as it diverts limited staff away from their park duties during business hours. The NDSP also provides that NDSP intends to make deposits as soon as practical and not intentionally wait ten days. A similar exemption is already in place for Nevada's Department of Wildlife (NRS 353.250[4]).

Recommendation submitted by Bob Mergell, Administrator, NDSP, DCNR.

11. **Send a letter** to TRPA encouraging the Agency to provide the Committee, prior to the start of the 2025 Legislative Session, the status of its update of the environmental analysis conducted in the 2012 Regional Plan and TRPA's Threshold Standards.

Recommendation submitted by Chair Skip Daly.

12. **Send a letter** to the TRPA encouraging the Agency to utilize the following priorities in its decision-making processes, work, and resources: (1) preservation, protection, and restoration of the Lake; (2) enhancing the visitor experience; (3) mitigating impacts on residents; and (4) economic considerations.

Recommendation submitted by Chair Skip Daly.

## G. EVENTS

13. **Send a letter** to the TRPA encouraging TRPA to consider exempting local events (Douglas County, South Lake Tahoe, and El Dorado County) from the current restriction on the total number of events and activities which can take place at the Tahoe Blue Event Center per year. Request that TRPA provide an update on the status of permit restrictions for local events prior to the start of the 2025 Legislative Session.

Recommendation submitted by Jenifer Davidson, County Manager, Douglas County, with modifications by Chair Skip Daly.