



Mr. Jacobsen also said that he talked to a few ranchers that he knows, and they seem to be in agreement with the bill and how it is written.

Mrs. Gojack asked what this bill really meant and what it does, and Mr. Groves answered that this bill says that this state must abide by the federal rules. They cannot poison the animals, but they can steel trap them or get them from the air. He also said that the coyotes, for example, go the ranches because they deleted the existence of the rodents, so they go to the ranches to get something to eat.

Mrs. Ford asked of the committee make-up, that is described in the bill, was mandatory according to the federal act. Mr. Groves answered that it is strictly a Nevada doing, not federal. This committee would recommend rules and regulations to the Fish and Game Commission, and then the Commission would hold hearings and such to consider these recommendations.

Mr. Jacobsen asked about the federal trappers and if they are available any time that Nevada needed them, and was answered that they are. Mr. Groves said that there are 12 federal trappers in Nevada at the time.

Chairman Bremner then stated that they had some Senate Bills to go over and announced that Senator Spike Wilson will be speaking on these bills.

#### S.J.R. 26

This bill memorializes congress to adopt legislation encouraging recycling. Senator Wilson said that this bill seems to speak for itself.

#### S.B. 428

Extends authority of state engineer over domestic wells in certain areas or basins.

Senator Wilson explained that this bill had a minor effect on the present law. Right now, the state engineer, where water table is depleted, can designate a basin which gives him jurisdiction to do some things he doesn't have jurisdiction to do in others. In the designated basins, as in others, he has now jurisdiction over the domestic well except only where there is a water supply or district. Then he can prohibit the drilling of a domestic well.

(S.B.)  
X.B. 584

This bill amends the County Economic Development Revenue Bond Law to provided the sale of projects. (Summary of this bill is attached as Exhibit I).

Senator Vilson said that this does not change the existing Bond Law and does not impose any obligation on the county. This permits the county to issue bonds for the purpose of buying any pollution equipment, which would be leased or sold to a utility or any private interest. The bonds are tax-free and because they are tax-free, it means the capitol necessary to acquire these things are at a lower

cost. Savings could be as much as 2% of the capital investment per annum.

QUESTIONS:

Mr. Smalley asked if this is done in other states, and Senator Wilson answered that he was not quite sure, but it is being done in other states.

Mr. Robert Faiss, Attorney with Blyth, Eastman, Dillion, spoke on this bill and said that there are 40 other states dealing with this type of legislation on the books. He said that all this change does in this bill is amend the present law to bring in pollution equipment.

QUESTIONS:

Mr. Lowman asked if they had any idea of the percentage for output for this type of thing, and Mr. Faiss he did not really know. Senator Wilson said that from testimony, he heard that 25% of capital improved cost for whatever new plant that are allocated for pollution investment of equipment is used and will run up to \$23,000,000.

S.B. 434

This bill expands state engineer authority over exported water or energy generated from such water.

Senator Wilson said that this bill and also S.B. 548 addresses the Public Service Commission, who strongly support this bill. The State Engineer also supports this bill. He first gave a background concerning the existing status of the State Water Law, and the Utility Law with respect to foreign utilities coming into this state (because of its very good water resources) and acquiring power citing for atomic generator plants, which this state would like to discourage. If a big plant such as P,G,& E or any other big plant came into this state and bought some federal land to build on and use water resources in that area it would effect certain people living in that area. Also, Nevada would have no benefit from this plant, because this plant would export all of their power out of state. Senator Wilson continued and said that they felt that the State Engineer should have some kind of jurisdiction in this event. With the present law as it is the State Engineer would have no choice ratehr than to issue the plant a permit. This bill, S.B. 434, would help to resolve this problem. Senator Wilson said that this bill could use one suggested amendment (in the first reprint). He said that on line 10 of page 1, after the word "application" add: "of water to beneficial use or any application".

S.B. 548

This bill broadens power of public service commission to protect natural resources of state. This is also a companion to S.B. 434.

Senator Wilson stated that this bill addresses for the same reasons jurisdiction of the Public Service Commission, which is the agency that regulates utilities rates and costs and such. But the Commission does not have jurisdiction of the utility which does not distribute power

within the state. He said that Nevada has got to have the jurisdictional lever to give the state the appropriate power to say to the utility coming in that they will allow them to construct their plant, but only under certain terms and conditions which would make them make available to Nevada a percentage of the power they generate for distribution through the state.

Senator Wilson suggested another change for this bill, on page 1, line 14, change the word "from" to the word "use". He concluded in saying that there is a great need for both S.B. 584 and S.B. 434 and they are very important to this state.

Chairman Bremner then called a short break. They reconvened at 8:20 a.m.

S.B.  
~~A.B.~~ 586

This bill permits destruction of dogs harassing deer and other wildlife.

Mr. Frank Groves testified on this bill, and said that this a real problem with dogs harassing wildlife. He said that there is really only two parts of the state that they run in packs and do this; and they cause a lot of damage. As the law is right now, they can't kill dogs in this case because they can get into alot of trouble, and they also have a very hard time finding the owners of such dogs, because if they find them then they have to arrest them. This bill will help them to destroy such dogs causing such damage, and harassment to the wildlife of this state.

S.B. 567

This permits a survey along river for potential flood control project to be paid for from flood control revolving fund.

Senator Wilson just had to say that Nevada needs this bill and is important to the whole program because it gives them the power to do their own survey.

#### VOTING

A.B. 896

Mr. Jacobsen motioned for a "do pass as amended" and Mrs. Ford seconded his motion. Mr. Lowman voted Nay, and Mr. Banner was absent today but all other members concurred. Dr. Broadbent voted Nay also.

S.J.R. 26

Mrs. Ford motioned for a "do pass" and Mr. Lowman seconded. Mr. Banner absent, but all other members concurred with the motion.

S.B. 428

Mr. Jacobsen moved for a "do pass" and Mrs. Gojack seconded. Motion carried unanimously.

S.B. 584

Mrs. Gojack moved for a "do pass," and Mrs. Ford seconded her motion. All concurred, but Mr. Lowman had a No Vote.

S.B. 434

Mrs. Ford moved for a "do pass as amended" with Senator Wilson's suggested amendment on line 10. Mrs. Gojack seconded. Mr. Lowman with a No Vote.

S.B. 548

Mr. Jacobsen moved for a "do pass as amended with Senator Wilson's suggested amendment on line 14, page 1. Mr. Smalley seconded Mr. Jacobsen's motion. Mr. Lowman had a No Vote.

S.B. 586

Dr. Broadbent moved for a "do pass" and Mr. Jacobsen seconded. Motion carried unanimously.

S.B. 567

Mrs. Ford moved for a "do pass" and Mrs. Gojack seconded the motion. All concurred.

Mr. Lowman announced that the reprint on A.B. 472 is out now, and said that he had a couple of amendments to put in it.

Meeting was adjourned at 8:40 a.m. until the next meeting on Monday morning at 7:00 a.m.

Respectfully submitted,

*Geanie Armstrong*

Geanie Armstrong  
Assembly Attache

Summary of S.B. 584

Industry is faced with expending vast sums of money for pollution control facilities as a result of rules and regulations promulgated by both the Federal Government and by state governments. Frequently these expenditures must be made within very rigid time deadlines, and it is distinctly in the public interest that the pollution standards be met.

Pollution control facilities normally add nothing to productive capacity. Therefore, their cost must be absorbed for the most part by the existing output of the industry. It is necessary to keep such expenditures at the lowest level of cost possible so as to prevent fiscal disruption in industry and possible resulting unemployment.

S.B. 584 is intended to encourage the timely construction of pollution control facilities and to enable companies to take advantage of a lessened cost for such facilities made possible by a provision of the Federal Internal Revenue Code. It amends the existing "County Economic Development Revenue Bond Law" to permit Nevada counties to issue revenue bonds to finance construction of pollution control facilities for industrial enterprises (including utilities). These bonds will be payable solely from lease or sale agreements entered into with the county by the private concern. No public funds can ever be used either for repayment of the principal and interest on the bonds or for the cost of issuing the bonds.

The Federal Government, through an amendment to the Internal Revenue Code, has provided a means of reducing the cost to industry of installing pollution control facilities. Congress has provided that interest paid on revenue bonds issued by political subdivisions is exempt from federal income taxes if the bonds are issued to provide funds to finance the construction of pollution control facilities. This provision has the effect of permitting companies, in states having the appropriate statutes, to finance pollution control facilities at lower interest rates than would otherwise be paid to finance the facilities.

Most states [now more than 40] have taken advantage of the opportunity afforded by the Federal Government to permit industries located within their borders to use tax-exempt bonds to finance their pollution control facilities. In the Southwestern part of the country, for example, the legislatures of the states of Utah and New Mexico have just recently passed bills permitting industrial companies and utilities to take advantage of the pollution control revenue bond. It is important that Nevada provide this same encouragement of pollution control.

It should be emphasized that S.B. 584 permits no obligation of public funds or of public credit with respect to the pollution control revenue bonds. The principal and interest on such bonds are paid entirely from funds supplied by the private business which is using the pollution control facility. The issuing political subdivision is prohibited from using any of its own funds to pay either the principal or the interest on the bonds. It could be said that part of the cost of the pollution control facilities being financed in the manner contemplated by S.B. 584 is being borne by the Federal Government as an inducement for the installation of pollution control facilities as a public benefit.