

MINUTES

WAYS AND MEANS COMMITTEE

NEVADA STATE LEGISLATURE - 59th SESSION

March 2, 1977

The meeting was called to order by Chairman Mello at 8:00 a.m.

PRESENT: Chairman Mello, Mr. Bremner, Mrs. Brookman, Mr. Glover, Mr. Kosinski, Mr. Rhoads, Mr. Serpa and Mr. Vergiels.

TARDY: Mr. Hickey.

EXCUSED: Mr. Bode Howard, due to illness.

OTHERS PRESENT: Glen Griffith, Fish and Game; Jack Dieringer, Fish and Game; Fred Wright, Fish and Game; Roger Teglia, Upland Game Committee; Joe Miner, Predatory Animal Control Committee, John Humphrey, State Sheep Commission; DeLoyd Sattenthwaite, Nevada Wool Growers; Mary Walkama, Fish and Game; Bill Parsons, Fish and Game; and Glen Christensen, Fish and Game.

Mrs. Brookman made a motion to approve the Minutes of February 14, 1977; seconded by Mr. Glover. Minutes approved.

Mrs. Brookman made a motion to approve the Minutes of February 15, 1977; seconded by Mr. Glover. Minutes approved.

Mrs. Brookman made a motion to approve the Minutes of February 17, 1977; seconded by Mr. Glover. Minutes approved.

FISH AND GAME (Page 699). Mr. Glen Griffith read a prepared statement. He stated that before getting into specifics, he felt it was necessary to apprise the Committee of their overall concern. Revenue from hunting and fishing sources increased each year from 1971 to 1974. There was a slight drop in sales in 1975, but an increase in 1976. Fish and Game is now estimating that the 1977 income will be down by at least \$210,000, possibly more, depending on fishing interests between January and June. The drop is due primarily to a restricted resident/non-resident deer season. The Department, therefore, cannot fund the first year of the Executive Budget as presented except by relying upon the fish and game reserve fund as provided under NRS 501.358. In the second year of the biennium, the reserve fund would have to be completely used, still leaving the Department short by approximately \$100,000. Many Legislators familiar with fish and game have been aware of the collision course they have been on to try to stretch the weakening dollars to cover increased resource demands.

The 1958 Session of the Legislature recognized this fact in ACR 47 where it said: "the present system of funding the Nevada Department of Fish and Game from license fees and federal funds is becoming increasingly inadequate for the purpose of protecting the wildlife of the state. If in fact the Legislature feels there is an overall benefit to the people of the State of Nevada to support the fish and game program over and above the level resulting from hunting and fishing revenue as expressed in ACR 47, then the Legislature would have to determine the degree of funding and methods. Those statutory changes would be necessary to implement the recommendation of the interim legislative study under ACR 47; an appropriation could be an addition to existing funding. However, due to the complexity of the funding structure of Fish and Game and because there are differences in opinion ranging from no general fund support at all to support only if Fish and Game is a general fund agency,

Fish and Game recommends that an interim study be undertaken to evaluate the alternative of making Fish and Game a general fund agency. Consideration would have to be given to the structure of the existing statutes of funding of Fish and Game for some 24 different sections, and consideration would have to be given to the following: On any given July 1, if a change were made, would the ensuing fiscal year's income go into the bank at interest as at present or go directly into the State Treasury. Following July 1, if that fiscal year's income went directly into the Treasury to the credit of the General Fund to offset the appropriated General Fund thereby doing away with the present deferred income status, then provisions would have to be made concerning the dispositions of prior year's income then on deposit at interest in the bank. For example, it could be maintained as an invested capital improvement fund gaining interest to itself and used with legislative approval. Provisions would have to be made concerning the disposition of the interest reserve fund and deposit that interest in the bank if a balance existed. If the hunting and fishing income is deposited directly in the Treasury, would that money continue to generate interest as part of the General Fund's overall interest and be credited to Fish and Game as now occurs under NRS 356.087. The state would maintain its eligibility to participate under the Pittman Roberts and Dingell Johnson Programs so long as the annual appropriated equals or exceeds the annual hunting and fishing income and the deferred income on deposit was available for fish and game purposes. Hunting and fishing income accountability would not have to change as the income accounting system now used by the department is adequate. Supporting the wildlife program from General Fund appropriation with an amount equal or greater than hunting and fishing income would in effect negate the attitude or apprehension that the resource is being oversold to support the program. Fish and Game doesn't know what the status is of the recommendation resulting from the interim study of ACR 47. They understand that there will be some emphasis placed on it and some action taken. When or if it will occur, Fish and Game doesn't know.

Mr. Bremner stated that Senator Monroe was the Chairman of the Interim Study Committee and he is not back this year. Mr. Bremner went down to the bill drafter last week and requested (before the 40th day) that legislation. However, the request was late and the results of that will come in in bill form and the Committee will see that bill.

Chairman Mello stated there are Capital Improvements as follows: CIP 77-13, Page 783 - \$359,000; CIP 77-42, Page 791 - \$637,000; and also part of CIP 77-30, Page 787 - \$197,000.

CIP 77-13. Mr. Jack Dieringer, Chief of Fisheries stated that the effluent treatment system is a program that has been placed upon Fish and Game through EPA requirements in order to bring hatcheries discharges up to the standard as required for the receipt of water. They have two of these presently on their installation, one on Verdi and one at the Lake Mead hatchery. They have three other installations that have to be put on, and that is what this particular bill is for. It goes through isolating the cleaning waste water from the flow-through water, putting it into a settling pond into digesters and from the digesters, the liquid is pumped back into the flow-through safety and the settled material is digested and then placed on the sledge. In essence, what they do is eliminate the cleaning discharge waste entirely and have just the supernate that goes back through the flow-through. In doing this, it dilutes any of the nutrients to the point that it will then meet the discharge requirements.

CIP 77-42, Page 791. Mr. Dieringer stated this is a request for monies to construct a stock station at the Gallagher Hatchery. In the past, Fish and Game has obtained the majority of their trout eggs from commercial

dealers or from other state departments of Fish and Game. These sources are beginning to become unreliable for several reasons. One, the federal government over the past few years has attempted to pass a fish disease control bill. Under the provisions of this bill, the Secretary of the Interior would be allowed to determine which diseases might be a hazard to the U.S. and would be given the authority to go into the individual hatcheries, private, commercial or state, indicate that this particular disease is a hazard to the U.S. and therefore you cannot move any of these fish anywhere. In essence, what he can do is control all interstate shipment of fish products, including eggs, fish themselves or even equipment used. Fish and Game has fought this bill on the basis that they feel that the states should have rights within this to determine which diseases are significant as far as individual states are concerned. There was an outbreak of Whirling Disease. Fish and Game did not feel that it was much of a problem. However, the Federal Government did, and Fish and Game at this time is unable to plant fish that are affected with Whirling Disease in interstate streams. If this bill went through they could actually come in and cause Fish and Game to eliminate all of their fish. Fish and Game is quite concerned that even if that part is eliminated, The Secretary of the Interior still would be able to control interstate shipment of eggs which would mean Fish and Game couldn't buy any from a commercial concern, or they couldn't exchange with other states. Secondly, there is a delivery schedule problem. A year ago, Fish and Game had 600,000 eggs on order from a commercial dealer in California. He assured them these eggs were going to come; these were due for the Lake Mead Hatchery. He never delivered and their whole schedule was affected. Fish and Game replaced these with cut-throat eggs, but they were approximately three months later, so their whole production for that particular installation is askew. There is also the genetic traits-- Fish and Game prefers having fish that will do a particular thing or available at a certain time. By having their own installation, they can do this. Nevada will be self-sufficient as far as trout eggs are concerned. They would also be able to meet the needs of expanding facilities. They are anticipating a minimum of 12 million eggs for this installation, and this will take care of Nevada's needs for the next 20 years and allow Nevada to possibly exchange with other states as long as Nevada can for specialty eggs.

CIP 77-30. Mr. Griffith stated this is the proposed building as an addition to their present facility on Vegas Boulevard. They have had this land since 1957 conveyed to the state for use by the State Board of Fish and Game Commissioners since 1957. The area consists of 1.93 acres. What the proposal is, is that Forestry and Parks add onto the Fish and Game facility and have joint building use. Parks at present has a trailer situated on the back portion of this acreage that they have been using for about 2 1/2 years.

Mr. Serpa asked how important it was to build the building at the present time and asked if they shouldn't wait until their revenues go up. Mr. Griffith replied it isn't too important to F&G because they have housing. This is accommodating Forestry and Parks, not Fish and Game. The public will gain because they will have one place to go to contact people.

Fred Wright stated another adjunct to this is that it will benefit Fish and Game in that their technical people in the Fish and Game division are overcrowded. Joint use facilities in one building would be beneficial for many reasons. They have a main small building, an annex, now which would become a second annex. They would then take the existing annex and convert that into law and enforcement and public activities such as boat titling and registration. They now have poor public access to that, and Forestry and Parks have difficulty regarding space for licensing and permits.

Chairman Mello asked if the Director is one of the 10.5% salary increase people and Mr. Griffith replied yes.

There are presently two vacant existing positions.

Chairman Mello asked if Fish and Game was saying they will be about \$100,000 short. Mr. Wright replied \$200,000 short. If you look under license and fees, they have estimated \$1,956,000. They are currently projecting that at \$1,746.00. If there is a 4% increase in the second year of the biennium, just overall increase, they will be down about \$220,000 in the second year of the biennium in licenses and fees.

Chairman Mello asked what Fish and Game would do if they don't get the \$220,000. Mr. Wright replied as Mr. Griffith had said, their only alternative is to borrow from the interest reserve fund, which is a statutory fund, and their projections are that as of July 1, 1977, there will be \$330,000 in that fund. Chairman Mello inquired as to how Fish and Game would pay it back. Mr. Wright replied they don't. Mr. Wright stated they would use their interest fund revenue.

Chairman Mello asked when they have tapped their reserves, what are they going to do. Mr. Griffith replied they will reduce the program. They are not sure as to what the total shortage would be, but it could be that they would eliminate a program entirely.

Chairman Mello asked what program would be eliminated. Mr. Griffith replied they would eliminate Engineering, because without sufficient funds there won't be engineering needs. Two people's time would be saved; one of them does a lot of drafting and mapping. The engineering cost is \$41,000. The next thing eliminated would be the education section. These are news releases, pamphlets, brochures, hunting guides, etc. They would also eliminate presentations at schools. This would save approximately \$35,000.

Mr. Dieringer stated that many of their programs are federally supported and when they do eliminate those programs, they are losing money. Also, they can't just eliminate state funded activities--law enforcement and fish production for example.

Chairman Mello said if the Legislature gave Fish and Game more money would they get the game out there and get the people interested in the game. Mr. Griffith replied the most important thing they have going on now is the opportunity through the planning efforts of the land management agencies is for preserving and maintaining habitat for the wildlife species. You must have the habitat to produce the game.

Chairman Mello stated if we don't have a lot of game, then we don't need a lot of people in the field in law enforcement. Mr. Griffith stated those officers have to be out there all the time even when the season is closed, because of the poaching.

Mr. Kosinski asked if Fish and Game was contemplating an increase in licensing fees. Mr. Griffith replied no. Every Session they get a proposal to make it more liberal for Seniors, but they are not making a proposal.

Mr. Rhoads asked how much they would have to raise their licenses to cover the \$200,000 they are going in the hole. Mr. Griffith replied if they were going to restrict it just to residents, they would have to raise it about \$1.60 per license. They are reluctant to do that. They would probably lose money.

Chairman Mello asked if Fish and Game had a contract for a particular program to see if the CDP could fill the program for them and then Fish and Game paid CDP X number of dollars and Fish and Game found out CDP couldn't fulfill the contract. Mr. Wright replied no, he has been personally involved with Data Processing since 1956; in fact, Hale Bennett, now with Motor Vehicles, did their work as a commercial enterprise. They have never entered into a formal written contract with anyone for data processing.

NEVADA BOAT ACT (Page 704). Mr. Griffith stated this basically covers the operation of their boat program which includes titling, registration, patrol, enforcement, search and rescue. There are about 11 boats, ten vehicles and numerous people, some full time and some part-time.

Chairman Mello stated as to other furniture and equipment the actual and work program of \$14,935 is pretty close to actual and asked what the \$30,000 is for. Mr. Griffith replied these things are kind of a misnomer. This goes to replace two boats and two trucks. They tried to maintain a replacement schedule for trucks.

Chairman Mello pointed out that there is a place for trucks and there is nothing in there and asked when they say two trucks and two boats is that two for each year of the biennium. Mr. Wright replied yes. They operate under a policy of trying to run vehicles 90,000 miles before replacing them; pickups make up 66% of the fleet. The State Purchasing Division sells them.

Chairman Mello asked the Committee to look at A.B. 318. Roger Teglia stated this bill was revised a little. The purpose of the bill is to approve the money equivalent to the amount of fish and game fines collected each year for releasing chukars and education programs.

Mr. Teglia stated that the amendment was what they had left out when the bill was drawn was the fact that it said "money received as gifts from private sources may be added to the appropriations for the purchase and release of chukars, but no money received from the Federal Government may be so used for the Chukar program." In other words, Mr. Teglia didn't want federal money intermingled with it, because what happens, as in 1971, when they planted the chukars, they planted in an area where there were no chukars because they could participate in federal funds. The appropriation of \$25,000 came out of the Fish and Game fund so they recovered all that money, but the chukars were planted in an area where they couldn't live. Mr. Teglia doesn't want that to happen again. They need this bill because they have a drought and may wind up with no chukars. This program will go into effect not this spring, but the following spring, and Fish and Game had better be in a position to have some chukars available to plant in areas where they are disappearing. By having this continued program, including the water program, it is the only way to have a good chukar population.

Mr. Wright stated that under Paragraph 2B, the third line, he would like to suggest that the Committee consider "taking into consideration Nevada breeders, and may be purchased without bid..." It does connote there that they will be purchased without bid, and it may not be practical. Then, under Section 3, the last line, he recommends modifying that so that federal aid funds could be used in water development because they do have ample Pittman Robertson monies available, and on a 3 to 1 ratio, it would be a very constructive thing, and there are several ways it could be amended: "...but no money received from..." and change it to read "...federal aid funds may be used only for the water development program."

Chairman Mello asked to see the amendment as they had rewritten it.

Mr. Griffith passed out two publications to the Committee: a Chukar Partridge Bulletin done in 1970 and a Chukar Partridge Species Management

Plan which is the long term management plan guide which the Department has just completed. Mr. Griffith stated it is important to recognize the positive side of the Chukar Partridge Program which they are proud of. Nevada is one of the leading states in the nation in relation to established chukar populations and in the hunting potential that the bird has and in the hunting recreation that the bird provides. Mr. Teglia and Mr. Griffith have differed in philosophy over the years regarding this release problem. Mr. Griffith doesn't think the release program would add substantially to the character of the chukar partridge population we have today in this state. Their information in the Species Management Plan shows that Nevada's populations are at a higher level based on five-year trends than they have ever been in the forty years since the birds were first introduced. The last five year level, 1971-1975, Nevada had an average yearly harvest of 122,000 birds compared to an average five year harvest in 1951-55 of 20,000 birds.

The chukars respond very closely to the habitat and to the environment and Nevada does get boom and bust populations (sharp increases and declines) which are a perfectly normal condition. There is a risk in a saturation release at this point in time of game farm birds which are not genetically different than the species that Nevada has had for forty years in the wild which, through natural selection, has adapted itself to Nevada's condition. Fish and Game urges that they have some management flexibility within the Department in relation to these releases, so that they can be confined to unoccupied habitats and to the marginal areas of the state.

Mr. Serpa stated that he questioned that the chukar population is up and questioned putting the birds in marginal or uninhabited areas now. According to hunters, Mr. Griffith's statement has to substance to it.

Mr. Bremner stated that the figures may be misleading, because that is total harvest. In 1955, very few people hunted chukar and today there are ten times more people hunting chukar.

Mr. Teglia stated that the hunters are not checked. They sign a questionnaire and can put anything on it they want. It doesn't matter where you hunt; you are lucky if you find any chukars.

Chairman Mello asked Mr. Griffith if he was against this legislation. Mr. Griffith replied no. He thinks that with the amendments, they are going to try and make it work, but he doesn't want to leave the impression that it's going to be a panacea and Nevada's chukar populations are going to respond drastically to the release program. We should have management options to put chukars in the right places. The original bill just said 50% of the money would be used for chukars.

Chairman Mello commented that he did not see chukars where there used to be chukars, and others have said the same thing. If Nevada has boom and bust years, which year was the boom. Mr. Wright read the following which shows changes in Section 2(b) of the amendment to A.B. 318: Fifty percent to fund a chukar release program in unoccupied or marginal habitat on public lands and implement a statewide water development program; chukars to be purchased from private breeders, taking into consideration Nevada breeders, and may be purchased without bid in lots less than \$1,000 for total purchase, at the going rate of market price throughout the Western area. Consideration shall be given to all local young breeders, such as 4-H clubs and the like to stimulate interest by our youth.

3. Money received as gifts from private sources may be added to the appropriations for the purchase and release of chukars, Federal Aid Funds may be used only for the water development program."

Mr. Griffith asked if "statewide wildlife" water development could be added. Mr. Kosinski replied yes, so the last sentence will read: "Federal Aid Funds may be used only for the statewide wildlife water development program."

Mr. Rhoads asked if the interpretation of the unoccupied or marginal habitat would be by Fish and Game and further asked how they are going to be defined. Mr. Griffith replied areas where there is a slump would be classified as occupied areas, not unoccupied.

Mr. Teglia stated he would not go along with "unoccupied"--only with "marginal".

Mr. Rhoads made a motion to strike out "unoccupied or" from the amendment to A.B. 318; seconded by Mr. Serpa. Motion passed.

Mr. Glover made a motion to adopt the amendment to A.B. 318; seconded by Mr. Serpa. Motion passed.

Mr. Bremner made a motion for a "Do Pass, as Amended"; seconded by Mr. Rhoads. Motion passed.

Mr. Griffith stated he would like to bring back to the Committee an evaluation of this program later.

Mr. Bremner asked if it would be possible for some of the Committee members to go to the Verdi Fish Hatchery to look at how the money is being spent there. Mr. Griffith replied yes.

PREDATORY ANIMAL AND RODENT CONTROL (Page 693). Joe Miner, Predatory Animal Control Committee, discussed the narrative statement that accompanies the budget. (Please see attachment and program statement on Page 694).

Mr. Serpa asked how they rate their personnel. Mr. Miner replied they are rated by supervisors. They have supervisory districts in Reno, Elko and Ely. Those supervisors work with the men on a frequent basis in the field and also talk to livestock people.

Mr. Serpa asked if they overlap into the Agriculture Department; that the Agriculture Department has some predatory control. Mr. Miner replied they have no predatory control, only rodent control, and there is some overlap. Basically, they are more involved with farmers regarding rodent control. Their work primarily involves public lands. BLM has specified that they want nobody else in predatory control other than our agency.

Chairman Mello asked how successful the program was. Mr. Miner replied the success of this program is difficult to monitor. They can't come closer than discussion with livestock people themselves. They feel that the past few years with the heavier use of aircraft which was necessitated when toxicants were taken out of the program, that they have a quicker response capability during those months when they can use those aircraft. However, total population reductions, they haven't been able to keep them down to the extent that they did when they could use toxicants.

Chairman Mello asked if the aircraft were under contractual services or if these aircraft are owned. Mr. Miner replied these are all chartered aircraft, both fixed wing and helicopter.

Chairman Mello asked if one airplane did go down not long ago that killed two people. Mr. Miner replied yes, four or five years ago.

WOOL GROWERS PREDATORY ANIMAL CONTROL COMMISSION (Page 695). Mr. Miner stated this is all a contributed budget. The sheep tax is levied on breeding sheep assessed by the county assessor and comes into this fund at 20¢ per head. That accounts for the \$25,736 agency request figure. The \$20,000 is what they have anticipated they will receive for the furs that are salvaged. In other words, the coyotes they take during the winter months when fur is of value, they make an effort to salvage those and they are sold and come back into the program to reimburse some of that effort.

SHEEP INSPECTION FUND (Page 697). John Humphrey stated the Sheep Inspection Fund is funded entirely by a direct tax on sheep only. It is a service organization to the industry to protect the industry from communicable sheep diseases so that they can certify to other states that sheep and wool products pose no threat to other states in interstate transportation. The agency operates on a very modest basis. As a matter of fact, there have been no increases in wages in the organization since 1960. There have actually been decreases because the number of sheep keep going down in the state and they are just maintaining the skeleton organization in order to service the industry.

NEVADA WOOL GROWERS. DeLoyd Sattenthwaite stated that this program is needed. They feel that the continuation of it is not only vital to those on the range, but to the people of Nevada.

The meeting adjourned at 11:00 a.m.

PREDATORY ANIMAL & RODENT CONTROL BUDGET

NARRATIVE STATEMENT

N.R.S. 567.010-.090 established the State Predatory Animal and Rodent Committee to cooperate with the U.S. Fish and Wildlife Service with such funds as might be made available for the control of predatory animals, crop destroying birds, and rodents within the State of Nevada.

This budget is one of three major fund sources that finance the Nevada animal damage control program supervised by the U.S. Fish & Wildlife Service. The other two budgets are from the Woolgrowers Predatory Animal Control Committee and the U.S. Fish & Wildlife Service.

Major emphasis of the program in Nevada is the control of coyotes and mountain lion to protect sheep and cattle on both private and public lands. The use of chemical toxicants for predator control was restricted by Presidential Order in 1972. Since then, trapping and shooting (primarily from aircraft) are the principal successful methods of coyote control. Depredating mountain lion are taken with trained hunting dogs.

PERSONNEL

This budget requests the same number (21) of positions as was authorized in the 74-76 budget. The entire program is dependent on these positions since they represent all except two of the field workers who provide the trapping and aerial gunning services throughout the state.

Without these positions there could be no field program of

trapping and aerial hunting to reduce predation on livestock. A reduction in the number of positions would reduce services and increase livestock losses to predators.

The increase in the salary sub-account is entirely due to inflation. Positions are at the same grades as in previous budgets. Requested funding for overtime is reduced by \$2,500 due to court rulings on the Fair Labor Standards Act. We propose to use compensatory time-off rather than pay overtime except in limited situations.

IN-STATE-TRAVEL

An increase of \$11,520 over the work program year is requested in this sub-account.

Sub-account item 6200 in the amount of \$19,500 is for per diem expenses of the 21 employees. Most of these funds are spent in reimbursing employees at an \$8 per day "grub box" rate when they are in field camps. If these funds were not available and field employees returned to their homes each night, the increased mileage costs for the extra travel and the unproductive hours spent in travel status would be a larger expense and result in less service to livestock producers.

Sub-account item 6230 in the amount of \$9720 reimburses 18 field employees at the rate of \$45 per month for furnishing a horse on official business. Horseback travel to livestock ranges in mountainous and rough terrain is a necessity in providing predator control services.

Sub-account item 6240 in the amount of \$77,700 is for mileage payments to all 21 employees who furnish their personally owned 4-wheel drive vehicles on the job. No motor pool or agency vehicles are available for employees. They each average 18,500 miles per year and are reimbursed at the maximum rate of 20¢ per mile. Any reduction in this sub-account would limit travel, reduce predator control services, and result in increased predation on livestock. The \$11,520 increase requested is necessary to pay the 20¢ per mile reimbursement rate as opposed to 17¢ paid in the 1975-76 budget year.

Item 7070, Other Contract Service, reimburses a 5 month seasonal lion hunter for dog rental (6 dogs at \$14 per month per dog) and reimburses an employee for use of his snowmobile (30 days at \$15 per day of use).

Item 7160, Aircraft Operation, pays charter costs of airplanes and helicopters for aerial hunting of coyotes. The \$60,000 requested would provide 850 hours of airplane charter at \$35 per hour and 240 hours of small helicopter charter at \$135 per hour. Aerial hunting is the only successful alternative to the use of toxicants for the selective control of coyotes over the large areas of remote open range used by livestock in fall, winter, and spring months. The more expensive helicopter charter is needed to successfully hunt rough and tree covered areas where airplanes are not effective.

Item 7970, Raw Materials, in the amount of \$5,000 is needed for the purchase of ammunition(\$1,000 for rifle ammunition - \$2000 shotgun shells for aerial hunting) and trapping supplies.

John E Humphrey

STATE WOOLGROWERS PREDATORY ANIMAL BUDGET

NARRATIVE STATEMENT

N.R.S. 567.100-.170 established the State Woolgrowers Predatory Animal Committee to levy a special tax on sheep for predatory animal control, to accept contributions and fur sale receipts, and to enter into agreements with the U.S. Fish & Wildlife Service for control of predatory animals.

This budget is one of three major fund sources that finance the Nevada animal damage control program administered by the U.S. Fish & Wildlife Service. The other two budgets are from the State Predatory Animal and Rodent Committee and the U.S. Fish & Wildlife Service.

Three main fund sources finance this budget. A tax of 20¢ per head on sheep is collected by county tax assessors and deposited in this budget. Receipts for the sale of furs taken in the Nevada Animal Damage Control Program are deposited in this budget. The third fund source, shown as a separate budget, are monies received from the six Nevada Grazing Boards for aerial hunting within their respective district boundaries.

Since this budget is funded by ear marked funds, this is a request for legislative approval of planned expenditures based on best current estimates of income and program needs.

A minimum carry-over of \$10,000 is necessary to pay salaries and travel expenses of employees in this budget. Tax receipts and fur sales do not provide income until the September-October period. The carry-over is necessary to meet expenses from July 1 to October.

PERSONNEL

A reduction from four to two positions is requested in this budget. Anticipated revenue during the two budget years is only adequate to finance two positions and associated travel expenses.

We are requesting one of the positions be reclassified upward to a grade 27 (District Field Supervisor). This position is needed to provide an employee who can serve in the capacity of training new field employees, trouble shooting problem depre-dation situations, and serving as an aerial gunning specialist.

IN-STATE-TRAVEL

A total of \$12,080 in-state-travel funds are requested for each of the two budget years. Planned expenditures include \$8,000 for 40,000 miles of travel annually by the two employees who are reimbursed at the rate of 20¢ per mile for their personally owned 4 wheel drive vehicles. Horse hire expenses amount to \$1080 per year for two horses. Each employee is reimbursed \$45 per month per horse. Per diem expenses of \$3,000 are planned to pay camp rate and commercial lodging expenses of the two employees.

OPERATING EXPENSES

Operating expenses of \$10,000 per year are budgeted. The entire amount is planned to be spent for aircraft charter for aerial hunting of predators.

BUDGET - AGENCY NO. 231-4601

This budget represents those funds deposited by each of the six Nevada Grazing Boards for aerial hunting of predators within

their respective borders. They each require separate records for the expenditure of their funds. The \$19,000 for 1977-78 and \$17,000 for 1978-79 is our best estimate of the funds they might contribute.

JOHN HUMPHREY

John E Humphrey

STATE OF NEVADA
DEPARTMENT OF FISH AND GAME

Mr. Chairman, members of the committee, before getting into specifics, I feel it is necessary to apprise you of our over all concern.

Revenue from hunting and fishing sources increased each year from 1971 to 1974. There was a slight drop in sales in 1975, then an increase in 1976 and we are now estimating that 1977 income will be down at least \$210,000, possibly more depending on fishing interest between January and June.

The drop is due primarily to a restricted resident/nonresident deer season. For example there were 4,000 nonresidents in 1974, 3,056 in 1975 and 1,758 in the 1976 season.

The Department, therefore, cannot fund the first year of the executive budget as presented except by relying upon the Fish and Game Reserve Fund as provided under NRS 501.358. In the second year of the biennium, the reserve fund would have to be completely used still leaving the Department short by approximately \$100,000.

Many legislators, familiar with fish and game, have been aware of the collision course we have been on in trying to stretch the weakening dollar to cover increased resource demands.

As you know the 58th Session of the Legislature recognized this fact in Assembly Concurrent Resolution No. 47 when it said that "the present system of funding the Nevada Department of Fish and Game from license fees and federal funds is becoming increasingly inadequate for the purpose of protecting the wildlife of the state;"

If, in fact, the legislature feels there is an overall benefit to the people of the State of Nevada to support the fish and game program over and above the level resulting from hunting and fishing revenue, as expressed in

the ACR 47 study, then the Legislature would have to determine the degree of funding and method. No statutory changes would be necessary to implement the recommendation of the interim legislative study under ACR 47. Any appropriation could be in addition to existing funding.

However, due to the complexity of the funding structure of fish and game and because there are differences in opinion ranging from no general fund support at all to support only if fish and game is a general fund agency, we recommend that an interim study be undertaken to evaluate the alternative of making fish and game a general fund agency.

Consideration would have to be given to the structure of the existing statutes on funding of fish and game, (some 24 different sections) and consideration would have to be given to the following:

- A. On any given July 1, if a change were made, would the ensuing fiscal year's income go into the bank at-interest as at present or go directly into the State Treasury,
- B. Following that July 1, if that fiscal year's income went directly into the treasury to the credit of the general fund to offset the appropriated general fund thereby doing away with the present deferred income status, then,
 1. Provisions would have to be made concerning the disposition of the prior year's income then on deposit at interest in the bank. For example, it could be maintained as an invested capital improvement fund gaining interest to itself and usable with legislative approval,
 2. Provisions would have to be made concerning the disposition of the interest reserve fund on deposit at interest in the bank (if a balance existed),

3. If the hunting and fishing income is deposited directly in the treasury, would that money continue to generate interest as part of the general fund's overall interest and be credited to fish and game as now, under NRS 356.087?

The state would maintain its eligibility to participate under the Pittman-Robertson and Dingell-Johnson programs so long as the annual appropriation equals or exceeds the annual hunting and fishing income and the deferred income or deposit was available for fish and game purposes. Hunting and fishing income accountability would not have to change as the income accounting system now used by the Department is adequate.

Supporting the wildlife program from general fund appropriation in an amount equal to or greater than hunting and fishing income would, in effect, negate the attitude or apprehension that the resource is being over-sold to support the program.

AMENDMENT TO AB 318

SUMMARY--Makes continuing appropriation to Nevada department of fish and game, for specified purposes, of amount equivalent to that collected annually from fish and game fines.
(BDR 45-684)

Fiscal Note: Local Government Impact: No.
State of Industrial Insurance Impact:
Contains Appropriation.

AN ACT relating to the Nevada department of fish and game; making an annual appropriation to the department, for specified purposes, of an amount equivalent to the fish and game fines collected during the previous fiscal year; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND
ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 501 of NRS is hereby amended by adding thereto a new section which shall read as follows:

1. There is hereby appropriated from the state general fund to the department for each fiscal year a sum of money equivalent to the total amount of fines and bail forfeitures collected for violations of Title 45 of NRS, Chapter 488 of NRS and NRS 444.630 during the preceding fiscal year. The director shall certify to the chief of the budget division of the department of administration and the state controller, not later than October 1 of each year, the total amount of such fines and forfeitures collected during the preceding fiscal year.

2. Money appropriated to the department pursuant to subsection 1 may be used only for the following purposes:

(a) Fifty percent for educational programs to be conducted by the department or through the public schools.

(b) Fifty percent for the purchase of chukars for release on public land, to be purchased from private breeders, taking into consideration Nevada breeders, to be purchased without bid in lots less than \$1,000. for total purchase, at the going rate of market price throughout the Western area. Consideration shall be given to all local young breeders, such as 4-H clubs and the like to stimulate interest by our youth.

3. Money received as gifts from private sources may be added to the appropriations for the purchase and release of chukars, but no money received from the Federal Government may be so used for the Chukar program.

AMENDMENT TO AB 318

SUMMARY--Makes continuing appropriation to Nevada department of fish and game, for specified purposes, of amount equivalent to that collected annually from fish and game fines.
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Statewide wildlife water development

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