

INFRASTRUCTURE

The Infrastructure function of state government includes those agencies responsible for capital assets of the state, as well as its natural resources. The function includes the Department of Transportation, the Colorado River Commission, and the Department of Conservation and Natural Resources. In the 2001-03 biennium, General Fund appropriations recommended by the Governor in FY 2001-02 total \$23.9 million, a 14.5 percent increase over FY 2000-01. An additional 4.5 percent increase in General Fund support is recommended in FY 2002-03. Total amounts recommended from all funding sources in FY 2001-02 are \$956.6 million, a 27.6 percent increase over FY 2000-01, excluding inter-agency transfers. An additional 13.8 percent increase is recommended for FY 2002-03.

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

The Department of Conservation and Natural Resources (DCNR) is responsible for ensuring Nevada's natural resources are used, maintained and preserved in a manner that will best serve the citizens of the state. The department comprises the Divisions of Forestry, Wildlife, State Parks, Environmental Protection, State Lands, Conservation Districts, and Water Resources. The department includes the Nevada Tahoe Regional Planning Agency, the State Environmental Commission, the Nevada Natural Heritage Program and the Commission for the Preservation of Wild Horses. Budgetary support is provided for the Tahoe Regional Planning Agency.

There are several notable changes in the DCNR budgets for the 2001-03 biennium. The Governor has removed several accounts from The Executive Budget document, including Forestry Intergovernmental, Wildlife Habitat Mitigation, Wildlife Heritage, and the Mining Cooperative Fund. Also, the Water Planning Division was dissolved in September 2000.

For the entire department, the Governor recommends General Fund appropriations totaling \$48.8 million in the 2001-03 biennium, which is a 12.9 percent increase over the amount appropriated for the 1999-2001 biennium. Total budget recommendations from all funding sources are \$101.9 million in FY 2001-02 and \$101.4 million in FY 2002-03.

DIRECTOR'S OFFICE

The Director's Office of the Department of Conservation and Natural Resources provides administrative, technical, budgetary and supervisory support to agencies within the department. Nevada Division of Forestry (NDF) accounting and purchasing functions are located within the Director's Office. The office is funded primarily through General Fund appropriations, along with nominal cost allocation revenues.

The Governor recommends one new Administrative Services Officer (ASO) I position to assist with daily fiscal operations and negotiations of indirect cost rates and allocations. The Executive Budget includes funding for one new Accounting Clerk I position to support operations in the Division of Forestry's Western Region. Two new Account Clerk positions are recommended to replace two inmate clerks previously assigned to the Director's Office.

For the Director's Office and numerous divisions and bureaus within the department, the Governor recommends non-state owned building rent increases of nearly 50 percent for leased space on Nye Lane in Carson City due to the expiration of the current ten-year lease and conversion to a four-year lease.

DIVISION OF ENVIRONMENTAL PROTECTION

The Division of Environmental Protection implements environmental programs authorized and required by the Nevada Legislature and various federal laws and enforces regulations adopted by the state Environmental Commission. The division consists of Administration and seven bureaus: Air Quality, Mining Regulation and Reclamation, Water Pollution Control, Water Quality, Corrective Action, Waste Management and Federal Facilities.

The Executive Budget recommends the addition of an Account Technician I and a Computer Network Technician II, along with an additional 0.5 FTE position from the Attorney General's Office, for the Division of Environmental Protection (Administration) resulting from increased division staff and program activity. The Governor recommends dividing the existing Bureau of Air Quality into two separate bureaus: the Bureau of Air Quality Planning and the Bureau of Air Quality Permitting and Compliance. This recommendation includes a new Bureau Chief position and associated costs. The Governor recommends an additional Program Assistant III position for the Bureau of Water Programs.

DIVISION OF STATE LANDS

The Division of State Lands acquires, holds and disposes of land and interests in land, manages state land, and promotes the appropriate use and management of Nevada's public lands. The division administers the Tahoe Bond Acts and the Fund to Protect the Lake Tahoe Basin. The Tahoe Bond Act of 1986 provided \$31 million of general obligation bonds of the state for acquisition of environmentally sensitive lands and for erosion control projects in the Lake Tahoe Basin. An additional Tahoe bond issue provided \$20 million for erosion control projects.

The Governor recommends General Fund appropriations in FY 2001-02 to increase 7.7 percent over amounts approved in FY 2000-01. An additional 3.7 percent increase is recommended in the second year of the biennium.

DIVISION OF FORESTRY

The Division of Forestry is responsible for supervising, managing and coordinating all forestry, watershed, and fire prevention and control work on state and privately owned lands in Nevada. Additionally, the division provides assistance to county and local fire districts and adopts and enforces fire prevention regulations. Direct protection and management are provided to land and improvements within fire districts organized under Chapter 473 of NRS. The 473 districts cover nearly nine million acres in eight counties. Other division programs include cooperative forest management, rural fire protection, resource rehabilitation, and control of insects and diseases in trees.

The Executive Budget recommends the following special appropriations:

Description	Amount
Special appropriation for replacement equipment - General Fund	\$432,966
Special appropriation for new radios to interface with the DMV & PS VHF highband radio system – General Fund	\$ 18,216
Special appropriation for the purchase of new and replacement equipment for forest fire suppression – General Fund	\$ 39,698

The Executive Budget recommends the addition of one Program Assistant II to provide clerical and accounting assistance to the combined air operations of the Department of Conservation and Natural Resources. The 1999 Legislature funded a new position, dedicated to the Lake Tahoe Environmental Improvement Program, with transfers from the Motor Vehicles Pollution Control Fund. The Executive Budget recommends a change in funding for this position to a combination of General Funds and transfers from the Lake Tahoe License Plate account.

The Forestry budget account receives an allocation totaling \$230,000 per year from the counties for administrative support provided for the county fire protection districts. Based on their commitment to the 1999 Legislature to revise the allocation, the division contracted for development of a methodology to allocate costs representing support to the counties. Based on results of the study, The Executive Budget recommends an increase in the allocation of \$112,257 in each year of the biennium, to a total of \$342,257.

FOREST FIRE SUPPRESSION

The Forest Fire Emergency Response program covers expenses necessary for fire protection and forest and watershed management that are caused by fire or other emergencies. In addition, personnel respond to medical emergencies and vehicle accidents. The program is funded by a combination of General Fund appropriations and reimbursements for fire-fighting assistance provided on lands outside of the state's jurisdiction. When this budget is depleted, funding is also available from the State Board of Examiners' Reserve for Statutory Contingency Fund (NRS 353.264). The agency can also seek additional amounts from the Interim Finance Committee's Contingency Fund (NRS 353.266). The Governor recommends a General Fund appropriation of \$1.0 million in each year of the biennium.

DIVISION OF WATER RESOURCES

The division conserves, protects, manages and enhances the water resources of Nevada through appropriation and reallocation of public waters. The Executive Budget recommends total General Fund appropriations in the 2001-03 biennium of \$9.01 million, an increase of 20.3 percent over the 1999-2001 legislatively approved amount of \$7.49 million. The Executive Budget recommends the transfer of three positions from the Division of Water Planning to Water Resources.

The Executive Budget recommends a supplemental appropriation of \$6,800 to fund anticipated FY 2000-01 expenses for USGS stream gauging stations and South Fork Dam maintenance, and a one-shot appropriation of \$361,090 to fund new and replacement equipment in the Division.

DIVISION OF WILDLIFE

The Nevada Division of Wildlife (NDOW) is responsible for the preservation and management of Nevada's wildlife resources. The Division is made up of six bureaus: Administrative Services, Game, Fisheries, Law Enforcement, Habitat and Conservation Education. The division underwent a reorganization in calendar year 2000 that eliminated the regional manager layer in the organization and established bureau-level functions for Agency Planning, Wildlife Diversity and Support Services.

The Executive Budget recommends seven new positions for NDOW, including a Conservation Educator; a Computer Network Specialist to support a wide area computer network recommended in the budget; a Public Information Officer to assist in statewide program development and implementation; a Staff Associate Engineer to assist in statewide projects that require engineering skills; a Wildlife Area Technician II for management, development and maintenance of the Steptoe Wildlife Management Area; a Program Officer to administer and maintain a statewide boating program; and a Public Safety Dispatcher to provide sufficient staffing to address incoming traffic and extend the coverage period beyond existing levels.

The Executive Budget also recommends funding of \$1.2 million over the biennium to implement a new licensing and boat registration system. In addition, \$1.2 million over the biennium is recommended to provide for one-time projects related to the mission of the division. Examples of items funded in this module include maintenance, restoration projects and hatchery health monitoring. Lastly, The Executive Budget recommends replacement equipment totaling \$1.3 million.

WILDLIFE BOATING PROGRAM

The Nevada Division of Wildlife administers, enforces and implements the Nevada Boat Act. The program includes registration and titling of boats, enforcement of laws and regulations, boating safety education and development of public access facilities.

The Executive Budget recommends increases in spending authority to fulfill the mission of the agency of \$1.3 million in FY 2001-02 and \$1.0 million in FY 2002-03. Examples include major land and building improvements and capital improvements throughout the state.

TROUT MANAGEMENT

The Trout Management budget receives funding from the sale of trout stamps statewide. Revenues fund a portion of the operating expenses for the hatcheries and bond redemption payments. The bonds will be fully redeemed by the end of FY 2000-01. The Executive Budget recommends a capital improvement project to provide for Phase I of a hatchery repair and rehabilitation project statewide. Funding sources to repay the bonds will be made, in-part, from the Trout Management account.

DIVISION OF STATE PARKS

The Division of State Parks plans, develops and maintains a system of parks and recreational areas for the use and enjoyment of residents and visitors. The division also preserves areas of scenic, historic and scientific significance in Nevada. Park staff currently maintain 24 parks.

The Executive Budget recommends the following special appropriations:

Description	Amount
Special appropriation to replace vehicles, radios, computers and other equipment	\$ 537,085
Special appropriation to purchase radios compatible with the VHF high band system	\$ 193,323
Special appropriation to fund maintenance projects	\$ 593,928
Special appropriation to fund improvement projects	\$1,500,000

The Executive Budget recommends five new positions for the Division of State Parks, including a Management Assistant at the Valley of Fire State Park; a Management Assistant and a Park Ranger at Lake Tahoe State Park; a Park Ranger Technician at Rye Patch State Recreation Area; and a Maintenance Repair Worker in the Elko area. The 1999 Legislature funded a new position dedicated to the Lake Tahoe Environmental Improvement Program with a combination of user fees and transfers from the Motor Vehicle Pollution Control account. The Executive Budget recommends a change in funding for this position to a combination of General Funds and transfers from the Lake Tahoe License Plate account.

DIVISION OF WATER PLANNING

The Executive Budget recommends the elimination of this account, consistent with the DCNR Director's decision to dissolve the division. As a result, the Governor recommends the elimination of the Administrator, Economist, Supervising Engineer, Environmental Scientist and .5 Program Assistant positions (4.5 FTE total). The recommendation transfers a Program Officer and a Program Assistant III, scheduled to sunset at the end of FY 2000-01, along with a Staff Engineer III position (3.0 FTE total) to the Division of Water Resources, and transfers a Management Assistant III (1.0 FTE) to the Director's Office.

The Governor recommends the transfer of Project WET (Water Education for Teachers) program to the Division of Environmental Protection Water Programs, and transfer of the costs of the Natural Resources Plan and the Water Advisory Board to the Director's office.

TAHOE REGIONAL PLANNING AGENCY

The Tahoe Regional Planning Agency (TRPA) was jointly created by the states of Nevada and California and the United States Congress. TRPA leads the cooperative effort to preserve, restore and enhance the environment of the Lake Tahoe Region. Under the Bi-State Compact, Nevada and California contribute funding to TRPA on a one-third/two-thirds split. TRPA exercises environmental controls over the water, land, air, wildlife and development of the Lake Tahoe Region.

In a June 4, 1999 letter of intent, the money committees noted that new programs funded with emission control revenues should not be reflected as base expenditures in the budget prepared for the 2001-03 biennium. The letter states that if recommended to continue, these programs should be reflected as enhancements in the budget document and funded with alternative revenue sources. For the 2001-03 biennium, The Executive Budget recommends replacing emission control revenues with General Fund appropriations as the primary funding source for Nevada's share of TRPA operations. However, The Executive Budget reflects the change of revenue source as a base rather than enhancement item.

The Governor recommends funding for seven new positions during the 2001-03 biennium, primarily to respond to additional demands generated by the Environmental Improvement Program (EIP), including: one Senior Planner and one Planning Technician for project review; one Associate Planner for environmental compliance; one Senior Engineer, one Associate Engineer and one Planner for project coordination and assistance; and one new Senior Financial Analyst to manage finance, accounting and budgeting.

The Executive Budget includes General Fund appropriations of \$116,554 in each year of the biennium to fund Nevada's share of salary comparability payments. The Governor also recommends funding for environmental threshold studies to integrate and expand on the existing science and research element of the EIP.

In 1997, the Presidential Forum established a 10-year Environmental Improvement Program (EIP) for the Lake Tahoe Basin. Total estimated costs to implement the plan are \$908 million, distributed as follows: Federal Government, \$297.2 million; State of California, \$275.1 million; Private Sector, \$152.7 million; Local Government, \$101 million; and the State of Nevada, \$82 million. In support of Nevada's EIP efforts, staff within various DCNR divisions work collectively as the Nevada Tahoe Resource Team (NTRT). Position and operating costs are reflected in the individual division budgets.

Assembly Bill 285 of the 1999 Legislative Session authorized the issuance of \$3.2 million in general obligation bonds and established the Fund to Protect the Lake Tahoe Basin. The \$3.2 million, combined with \$20.0 million from 1996 Tahoe Bond Act revenues and \$5.6 million in other prior EIP expenditures, brings Nevada's funding of EIP programs to \$28.8 million. According to AB 285, general obligation bonds for the remaining \$53.2 million of Nevada's share of EIP costs may be issued with prior approval of the Legislature or Interim Finance Committee for the period beginning July 1, 2001 and ending June 30, 2007. The Executive Budget recommends authorization of \$25.5 million of additional general obligation bonds for EIP projects with \$8.0 million allocated in FY 2001-02, \$8.5 million in FY 2002-03 and \$9.0 million in FY 2003-04.

HEIL WILD HORSE BEQUEST

The Commission for the Preservation of Wild Horses serves as an advocate for wild horses, along with participating in land use planning processes and serving as a clearinghouse of information for wild horse preservation. The Heil Trust Fund was established by the 1985 Legislature in S.B. 485 to fund the activities of the commission. The Governor recommends \$400,000 from reserves for the state's share in a joint venture with the Bureau of Land Management to fund a Wild Horse and Burro Foundation to facilitate the adoption and removal

of wild horses from range land. The effect of this recommendation reduces the estimated reserves to approximately \$700,000 by the end of FY 2002-03.

NEVADA DEPARTMENT OF TRANSPORTATION

The Nevada Department of Transportation (NDOT) currently employs 1,647 FTE positions and is funded through a combination of federal funds, dedicated state highway user revenues, and bond issues. The Executive Budget recommends funding for FY 2001-02 and FY 2002-03 in the amount of \$609.7 million and \$701.4 million, respectively. The agency anticipates receiving \$206.9 million (included in above totals) in federal funds each year of the biennium.

The Executive Budget is recommending \$347.3 million in funding authority for 24 new positions and associated equipment costs to meet future transportation needs resulting from the state's population increase. In addition, the Governor is recommending \$8.3 million in FY 2002 and \$8.7 million in FY 2003 for replacement of major mobile fleet equipment, and \$1.8 million in each year of the biennium for new equipment purchases, the bulk of which would be for additions to NDOT's mobile fleet.

The Executive Budget also recommends approximately \$5.0 million in FY 2002 and \$6.3 million in FY 2003 for planning, inspection, maintenance, new construction and modification to maintenance stations and equipment shops, rest stops, welcome centers and communication sites statewide.

The Governor is recommending approximately \$1.7 million in funding for each year of the biennium for the Transportation Efficiency Act for the 21st Century (TEA 21) activities such as development of transportation plans, planning in urban areas, and research and development, to address critical problems on existing highway projects.

The department is currently estimating expenditures of approximately \$990 million on highway construction and maintenance for FY 2002 and FY 2003, an increase of over \$202 million, or 25.7 percent, when compared to the department's FY 1999-2001 actual and work programmed amounts. The department is currently planning to initiate over \$687 million in state highway construction and maintenance projects for the state's three primary geographic areas in the FY 2001-03 biennium: \$236.24 million for Washoe County, \$425.63 million for Clark County, and \$25.3 million for the Lake Tahoe area. (Note: Construction program amounts as reported in the Nevada Department of Transportation (NDOT) draft Transportation System Project FY 2001-2010 book dated September 20, 2000.)