

Congressional Transfer of Public Lands to the  
State of Nevada: A Report of the Nevada Land  
Management Task Force to the Legislative  
Committee on Public Lands

Pursuant to AB 227 of the 2013 Nevada Legislative Session

April 25, 2014

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## **Nevada Land Management Task Force Recommendations to Legislative Committee on Public Lands**

1. Exclude the following lands from consideration for transfer from the federal government to the State of Nevada.
  - Current Congressionally designated wilderness areas
  - National Conservation Areas
  - Lands currently administered by:
    - Department of Energy
    - Department of Defense
    - Department of Interior – Bureau of Indian Affairs
    - Department of the Interior – U. S. Fish and Wildlife Service
    - Department of the Interior – National Park Service
  
2. The following lands administered by the Bureau of Land Management should be considered for transfer under Phase 1:
  - BLM administered parcels of land less than 3,000 acres in size remaining within the original Central Pacific Railroad corridor along Interstate 80 in Northern Nevada
  - BLM lands previously identified for disposal and lands that meet the criteria for disposal
  - BLM lands under existing Recreation & Public Purposes (R&PP) Act lease
  - BLM lands authorized under Rights-of-Way granted to the State and local governments and non-linear Rights-of-Way granted to private parties
  - BLM held subsurface estate where the surface estate is privately held
  - BLM lands designated by the Secretary of the Interior as Solar Energy Zones
  - BLM lands currently leased for geothermal exploration and utilization
  - BLM lands authorized for disposal within enacted and introduced federal legislation
  
3. The following lands should be considered for transfer from the federal government to the State of Nevada in subsequent phases:
  - Other BLM administered lands
  - United States Forest Service lands
  - Lands deemed to be surplus by the Bureau of Reclamation
  - Other federally managed and administered lands
  
4. The following items will be transferred from the federal government to the State of Nevada:
  - Surface estate
  - Subsurface estate
  - Federally held water rights appurtenant to transferred lands
  
5. The transferred lands will be held by the State of Nevada in trust for the select beneficiaries.

6. Phase I transferred lands shall be managed for long-term sustainable net revenue maximization with the exception of those lands identified as suitable for disposal.
7. The transferred lands shall be managed by the State of Nevada in trust for the following beneficiaries:
  - Public K-12 education
  - Public higher education
  - Public specialized education (schools for deaf and blind)
  - Public mental health services
  - Public medical services
  - Public programs for candidate and listed threatened or endangered species recovery plan development and implementation
  - Local government to mitigate the loss of PILT
8. The following principals will guide State management of transferred lands:
  - All transferred land subject to applicable State and local statutes, regulations, ordinances, and codes
  - All transferred land subject to valid existing federal, state, and local permits; land use authorizations; and rights of access
  - Subsequent disposal of transferred land by the State of Nevada subject to review and approval by the governing board of local government(s) within which land to be disposed of is located
  - Costs incurred by the State of Nevada to administer land transferred to the State to be covered by gross revenue derived from managing said land
9. Net revenues derived from the management of transferred lands will be:
  - Held in trust for the benefit of select beneficiaries
  - Deposited into Permanent Fund for express benefit of aforementioned beneficiaries

# Congressional Transfer of Public Lands to the State of Nevada: A Report of the Nevada Land Management Task Force to the Legislative Committee on Public Lands

## I. Introduction

Nevada covers 110,567 square miles, making it the 7th largest of the 50 states. As shown in Table 1, 81.1 percent of Nevada's land area is administered by various agencies of the federal government, the highest percentage of federal land among all 50 states. Some counties in Nevada such as Esmeralda, Lander, Lincoln, Nye, and White Pine have over 90 percent of total county acreage being administered by the federal government. The majority of federally administered land in Nevada is administered by the Bureau of Land Management (BLM). During 2012, BLM administered land in Nevada totaled nearly 47.8 million acres, or 67.5 percent of Nevada's land area. The high percentage of federally administered land in Nevada necessarily results in the state having a paucity of state and private land, ranking last among all 50 states. The extent of federally administered land in Nevada has been viewed by many as a constraint to expansion and diversification of the State's economy and tax base as well as conservation of key components of its flora and fauna as many important decisions regarding authorization of land uses and environmental management face institutional and temporal uncertainty as decision-making is subjected to myriad of federal statutes, regulations and policies and decision-making is often relegated from local to state offices then on to agency leadership in Washington, D.C.

**Table 1. Percentage of Federal, Private and State Land in Select Western States**

| Area       | Percent Federal Land | Percent Private Land | Percent State Land |
|------------|----------------------|----------------------|--------------------|
| Nevada     | 81.1                 | 12.2                 | 6.7                |
| Arizona    | 42.3                 | 43.2                 | 14.5               |
| Idaho      | 61.7                 | 29.6                 | 8.7                |
| New Mexico | 34.7                 | 52.6                 | 12.7               |
| Utah       | 66.5                 | 24.8                 | 8.7                |

Sources: Congressional Budget Office; Federal Land Ownership: Overview and Status; <http://www.summitpost.org/public-and-private-land-percentages-by-us-states/186111>

Federal land management policies may serve to constrain economic development while the availability of private land may encourage economic expansion. A recent study found that production of oil and gas on private property in the Mountain West region encompassing Wyoming, Utah, Colorado, New Mexico, Montana, Nevada, and Idaho has outpaced production from federal lands. While crude oil output on federal lands in the region increased almost 14 percent since 2009, production on private lands has increased at 28 percent, twice that rate. While production growth of natural gas and natural gas liquids on private lands in the region has grown 0.9 percent since 2009, production of these products on federal lands has *declined* 5.4 percent. (<http://endfedaddiction.org/wp-content/uploads/2013/09/Economic-Value-of-Energy->

[Resources-on-Federal-Lands-Final-Revision-9.17.13.pdf](#)). In enacting the Federal Land Management and Policy Act, Congress recognized the important role that disposal or transfer of public land can play by including among other criteria for determining whether a parcel of public land would be eligible for disposal the following:

*(3) disposal of such tract will serve important public objectives, including but not limited to, expansion of communities and economic development, which cannot be achieved prudently or feasibly on land other than public land and which outweigh other public objectives and values, including, but not limited to, recreation and scenic values, which would be served by maintaining such tract in Federal ownership.* (43 U.S.C. § 1713(a))

In response to these concerns, A.B. 227 was introduced and debated during the 77<sup>th</sup> session of the Nevada Legislature, passed and approved by Nevada Governor Sandoval and became effective June 1, 2013. A.B. 227 is included as Appendix A to this report.

A.B. 227 (Chapter 299, *Statutes of Nevada 2013*) established the Nevada Land Management Task Force. A.B. 227 requires that a study be produced as a result of the Task Force's work, specifically covering three main things: 1) an economic analysis including costs and revenues associated with transferring federal lands to the State; 2) a proposed plan for the administration and management of any lands transferred; and 3) an identification of the lands that Task Force determines would be included in any potential transfer. The Task Force must present their findings in one report to the Legislative Committee on Public Lands on or before September 1, 2014.

The Task Force is made up of a representative from each of Nevada's counties, for 16 of the seventeen counties these are commissioners, except for Pershing county which appointed a member of their Natural Resources Advisory Committee. A listing of Task Force members is included in Appendix B of this report. – its purpose is to study the costs, benefits, and other issues surrounding a possible request to transfer some or all of Nevada's federally managed lands to the State. Funding of Task Force expenses has been borne by Nevada's counties. The Nevada Association of Counties (NACO) agreed to provide administrative and fiscal support to the Task Force. Minutes, meeting materials, exhibits and other information pertaining to Task Force meetings can be found on the NACO website at:

[http://www.nvnaco.org/index.php?option=com\\_content&task=view&id=21&Itemid=28](http://www.nvnaco.org/index.php?option=com_content&task=view&id=21&Itemid=28)

Upon the recommendation of the Task Force, NACO contracted with Intertech Services Corporation of Carson City to assist in gathering data, analysis and preparation of this report.

The Task Force has met nine times, at various locations around the State. During its many meetings, the Task Force has heard formal presentations from:

- Mr. Jim Lawrence, Administrator, Nevada Division of State Lands
- Mr. Leo Drozdoff, Director, Department of Conservation and Natural Resources
- Mr. Steve Hill, Director, Governor's Office of Economic Development
- Ms. Pam Borda, Executive Director, Northeastern Nevada Regional Development Authority
- Mr. Doug Busselman, Executive Vice President, Nevada Farm Bureau
- Mr. Don Pattalock, President, New Nevada Resources
- Mr. Scott Higginson, representing Clark County

- Mr. David VonSeggeren, Chairman, Toiyabe Chapter of the Sierra Club
- Mr. Larry Johnson, President, The Coalition for Nevada's Wildlife
- Mr. Kyle Davis, Political and Policy Director, Nevada Conservation League
- Ms. Karla Norris, Assistant District Manager, Southern Nevada Public Land Management Act, BLM Southern Nevada District Office
- Mr. Tony Rampton, Assistant Attorney General, State of Utah
- Mr. Mark Squillace, Professor of Law, University of Colorado

A summary of presentations to and testimony before the Nevada Land Management Task can be found in Appendix C. Public comments have been offered by several persons at various Task Force meetings. A listing of persons providing public comment and a summary of their issues raised is included in Appendix D.

## II. Economic Analysis of the Transfer of Public Lands to the State of Nevada

### A. Estimated Amount of Net Revenues to be Derived by State of Nevada from Transferred Lands

***The Task Force has determined that the State of Nevada would likely be able to generate significant net revenues from the management of an expanded state land base.*** This determination is based upon the results of a detailed analysis of the experience of the states of Arizona, Idaho, New Mexico and Utah in managing state trust land portfolios ranging in size from 2.4 million acres (Idaho) to 9.2 million acres (Arizona) during the period of 2008 through 2012. The Nevada Association of Counties commissioned the analysis on behalf of the Task Force. As shown in Table 2 and more thoroughly described in the report entitled, "Comparative Analysis of Revenues and Expenses for State Trust Land Management and Bureau of Land Management in Select States: Implications for an Expanded State Land Base in Nevada" which is found in Appendix E, ***the Task Force believes that conditions which attended state trust land management in the states of Arizona, Idaho, New Mexico and Utah during the years of 2008 through 2012 are sufficiently similar to those in Nevada to support the assumption that were the Congress to transfer an amount of land commensurate with state trust land holdings in those states that Nevada could achieve net land management revenues ranging between \$7.78<sup>1</sup> and \$28.59<sup>2</sup> per acre.*** Achievement of these levels of net revenue would depend upon Nevada adopting a land management strategy essentially similar to the strategies employed by the states of Arizona, Idaho, New Mexico and Utah in managing state trust lands.

The net revenues described in Table 2 are net of expenses associated with managing state trust lands. In most cases observed during preparation of this report, state trust land management activities are self funded from revenues generated and accrued in each state's permanent or trust fund. In only a few cases were state general fund sources used to support state trust land management functions. Idaho, New Mexico and Utah each cover all or a portion of their trust land management expenses from revenues derived from said management. Arizona obtains its operating funds through legislative appropriations. Each state except New Mexico has its state

<sup>1</sup> Calculated from data in Table 2 as the difference between the lowest five-year multi-state observed low revenue per acre of \$16.78 per acre and the highest five-year multi-state observed expense per acre of \$9.00 per acre.

<sup>2</sup> As shown in Table 2 as the Four State Average net revenue per acre.

trust land management operating budget approved by the legislature. (Souder, Jon and Sally Fairfax, *Material excerpted from the authors' book, State Trust Lands: History, Management, and Sustainable Use, (c) 1995 by the University of Kansas Press*; web article entitled “State Trust Lands” which can be found at <http://www.ti.org/statetrusts.html>.)

**Table 2. Five-Year Multi-state Observed High, Observed Low and Four State Average Revenues, Expenses and FTEs<sup>1</sup> (2008-2012)**

| Category                | Observed High  | Observed Low   | Average        |
|-------------------------|----------------|----------------|----------------|
| Revenues                | \$652,347,910  | \$48,276,287   | \$240,460,652  |
| Expenses                | \$23,880,660   | \$8,586,066    | \$15,325,490   |
| Net Revenue             | \$639,111,910  | \$25,591,016   | \$223,111,851  |
| Total Acres Managed     | 9,302,255      | 2,449,255      | 6,021,44       |
| Revenue/Acre            | \$72.40        | \$16.78        | \$36.79        |
| Expense/Acre            | \$9.00         | \$1.45         | \$3.73         |
| <b>Net Revenue/Acre</b> | <b>\$72.26</b> | <b>\$10.00</b> | <b>\$28.59</b> |
| Total FTEs              | 264            | 66             | 160            |
| Acres Managed/FTE       | 74616          | 9266           | 44275          |
| Revenue/FTE             | \$4,320,184    | \$182,864      | \$1,776,061    |
| Expense/FTE             | \$155,069      | \$76,367       | \$102,502      |
| Net Revenue/FTE         | \$4,311,461    | \$96,935       | \$1,644,310    |

1/ For state trust land management activities in the states of Arizona, Idaho, New Mexico and Utah. As shown in Appendix F the highest observed expense per acre is for Idaho and reflects the management of commercial timber tracts and related harvests. The lowest observed revenue per acre is for Arizona and reflects a significant decline in land sale acreage and value during 2010's recessionary influence.

Source: Derived from data within each state Land Department's *Annual Reports for 2008 through 2012* as presented in *Comparative Analysis of Revenues and Expenses for State Trust Land Management and Bureau of Land Management in Select States: Implications for an Expanded State Land Base in Nevada* which is included as Appendix E.

It is important to note that said state trust land management strategies are uniformly aimed at the generation of net revenues on a long-term sustainable basis. It is also important that these strategies are different than that employed by the Bureau of Land Management in managing the Bureau's 47.8 million acre estate in Nevada. As shown in Table 3 and more thoroughly described in the report contained in Appendix F, while the BLM does generate significant gross revenue from land management activities, federal law and regulation and Bureau policy require that the agency expend monies on wide-ranging non-revenue generating land management activities, which resulted in BLM Nevada generating net negative revenues ranging between -\$1.40 to -\$0.64 per acre during each of the years 2008 through 2012. In addition to managing lands for revenue generating activities such as domestic livestock grazing, mineral production, land sales, active recreational use and rights-of-way for placement of private infrastructure on public lands BLM Nevada manages vast areas of its land area for congressionally designated



wilderness and conservation areas and is required by federal law and regulation to undertake costly administrative procedures to design and implement its land management programs.

**Table 3. BLM Nevada Five Year Revenues, Expenditures and Employment, 2008 – 2012**

| NEVADA - BLM            | FY 2008      | FY 2009        | FY 2010        | FY 2011        | FY 2012        | 5-Yr. Avg      |
|-------------------------|--------------|----------------|----------------|----------------|----------------|----------------|
| Revenue Non-ONRR        | \$47,456,580 | \$27,170,048   | \$26,463,030   | \$23,882,418   | \$25,114,972   | \$30,017,409   |
| ONRR Revenue            | \$30,717,807 | \$39,683,895   | \$26,151,969   | \$17,281,366   | \$20,891,112   | \$26,945,229   |
| Total Revenue           | \$78,174,387 | \$66,853,943   | \$52,614,999   | \$41,163,784   | \$46,006,084   | \$56,962,639   |
| Expense                 | n/a          | \$97,657,000   | \$109,657,000  | \$108,379,000  | \$108,142,000  | \$84,767,000   |
| Net Revenue             | n/a          | -\$30,803,057  | -\$57,042,001  | -\$67,215,216  | -\$62,135,916  | -\$31,118,015  |
| Total Acres Managed     | 47,808,114   | 47,806,738     | 47,805,923     | 47,794,096     | 47,783,458     | 47,799,665     |
| Revenue/Acre            | \$1.64       | \$1.40         | \$1.10         | \$0.86         | \$0.96         | \$1.19         |
| Expense/Acre            | n/a          | \$2.04         | \$2.29         | \$2.27         | \$2.26         | \$1.77         |
| <b>Net Revenue/Acre</b> | <b>n/a</b>   | <b>-\$0.64</b> | <b>-\$1.19</b> | <b>-\$1.40</b> | <b>-\$1.30</b> | <b>-\$0.91</b> |
| Total FTEs              | 697          | 701            | 755            | 786            | 790            | 745            |
| Acres Managed/FTE       | 68,591       | 68,198         | 63,319         | 60,806         | 60,485         | 64,279         |

Sources: ONRR Revenue data from Department of Interior, Office of Natural Resources Revenue, *Annual Revenue Reports*, 2008-2012; Expense and FTE data from BLM Nevada State Office, correspondence dated February 18, 2014 from Robert M. Scruggs, Deputy State Director, Support Services, response to FOIA request; all other data from U.S. Department of Interior, Bureau of Land Management, *Public Land Statistics*, annual reports 2008 – 2012 as presented in *Estimated Net Revenues from an Expanded State Land Base in Nevada* which is included as Appendix F.

*Assuming that net revenues between \$7.78 and \$28.59 per acre can be derived by the State of Nevada from management of an expanded state land area and assuming that a Phase I Congressional transfer of land included 4 million acres (the Task Force recommendation for Phase I), the State of Nevada might be capable of generating net revenues ranging between \$31,120,000 and \$114,360,000 annually.* Should the Congress elect to transfer title to the balance of BLM administered land in Nevada, excepting Congressionally designated wilderness (2,055,005 acres), and National Conservation Areas (665,503 acres not also included as wilderness) totaling 2,720,508, to the State (which during 2012 would have totaled 45,062,950 acres) in subsequent phases, Nevada might generate net revenues ranging between \$350,589,751 and \$1,288,349,741 annually. It is important to note for perspective that New Mexico generated \$639,175,119 in net revenue in managing just 9 million acres of state trust land during 2012. New Mexico is benefitting from the ongoing U.S. oil and gas boom, a production trend which might spread to Nevada in the coming years.

B. Recommended Disposition of Net Revenue

In its study of other state trust land management programs, *the Task Force has observed the important role that the dedication of net revenues to select beneficiaries has seemingly played in states' success in generating net revenues.* In each of the four states studied, state trust lands are managed for the express benefit of designated beneficiaries and net revenues are distributed to said beneficiaries each year. In every case the state trust land management for beneficiaries concept is embodied within each state's constitution. Nevada too has a Permanent Trust Fund for the accrual and expenditure of revenues derived from congressionally transferred lands established by its constitution as described in Section 3 of Article XI.

Table 4 shows how net revenues derived by the State of New Mexico in managing state trust lands (and interest earned on accrued net revenues) were distributed during 2012. The report in Appendix F described similar distribution schemes for the states of Arizona, Idaho and Utah. In every case, funding of public education (K-12) is the most significant beneficiary in terms of monies received. Other beneficiaries common among states include public higher education, public medical institutions, public mental health services, and public correctional facilities. As shown in Table 4, New Mexico also provides funding for water reservoirs from net state trust land revenues.

To help insure that state trust lands are managed in a manner that generates net revenues, *the Task Force recommends that 1) the transferred lands will be held by the State of Nevada in trust for select beneficiaries; 2) transferred lands will be managed for long-term sustainable net revenue maximization with the exception of those lands identified as suitable for disposal and 3) the transferred lands will be managed by the State of Nevada in trust for the following beneficiaries:*

- *Public K-12 education*
- *Public higher education*
- *Public specialized education (schools for deaf and blind)*
- *Public mental health services*
- *Public medical services*
- *Public programs for candidate and listed threatened or endangered species recovery plan development and implementation*
- *Local government to mitigate the loss of PILT, at minimum*

### C. Land Transfer Costs

In response to Congressional action approving the transfer of public land to Nevada, the federal government and the State of Nevada may incur costs associated with both conveyance and recordation of the lands transferred. As described in more detail below, the language contained in the Act resulting in the transfer of public land to Nevada can serve to both minimize ambiguity about, and minimize the costs associated with, the land transfer process. A discussion of these potential costs follows.

Federal Government – Unless specifically exempted from doing so by the land transfer legislation, the federal government would typically be required to undertake the following steps in conveying public land to the State of Nevada through a transfer:

1. Perform a **Phase I Environmental Site Assessment** to identify the presence or absence of any hazardous substances on the subject property. Disposal of real property is any action in which the United States conveys or otherwise disposes of real property. Prior to the disposal of any real property, the BLM must determine the likelihood of hazardous substance, petroleum products, other environmental contamination, solid waste issues, or physical hazards on the real property. (BLM Manual H-2000-02, *Environmental Site Assessments for Disposal of Real Property*, August 2012; p.19)

**Table 4. Distribution of Net Revenue and Investment Income Derived From New Mexico State Trust Lands: Selected Beneficiaries (2012)**

| <b>Beneficiary</b>               | <b>Amount Received</b> |
|----------------------------------|------------------------|
| Common Schools (K-12)            | \$544,244,931          |
| University of New Mexico         | \$9,482,298            |
| New Mexico State University      | \$2,955,919            |
| New Mexico Military Institute    | \$1,558,074            |
| Miner's Hospital                 | \$7,401,699            |
| Behavioral Institute             | \$2,986,671            |
| State Penitentiary               | \$11,416,378           |
| School for the Deaf              | \$11,635,495           |
| School for the Visually Impaired | \$11,613,393           |
| Water Reservoirs                 | \$7,278,813            |

Source: 2011-2012 Annual Report, New Mexico State Land Office.

A Phase I Environmental Site Assessment consists of five basic components: (1) a review of local, state, and federal government environmental records; (2) a review of historical sources pertaining to past site uses and environmental issues; (3) interviews with owners, occupants, and other individuals in regard to property history, property use, and environmental issues; (4) a site reconnaissance to identify present and past uses and recognized environmental conditions, if present; and (5) preparation of a written report describing the Phase I procedures, findings, and conclusions. While legislation designed to transfer public land to the State of Nevada could resolve the federal government of the requirement to complete environmental site assessment of lands to be conveyed and thus reduce significantly the cost to the federal government of processing said transfer, the State of Nevada would want to ensure that the liability for the costs of cleaning up any contamination discovered on conveyed lands remained with the federal government. Given that most, if not all lands which would be subject of transfer from the federal government to Nevada are undeveloped, the risks of contamination from past use may be quite low. In areas where the risks of contamination appear unacceptable, the Phase I Environmental Assessment process could be undertaken at a cost per parcel which might range from between \$2,000 and \$3,000 or more depending on the property (<http://cre-expert.com/blog/archives/283>).

2. **Survey the property** to enable a legal description of same to be included on a patent (deed) document. A simple survey to establish the boundaries of a residential parcel can cost as much as \$900.00 (<http://www.homeadvisor.com/cost/architects-and-engineers/hire-a-land-surveyor/>). The greater the size of the parcel; the more remote its location; the more rugged its terrain and the more irregular its shape, the more costly will be the cost of surveying the site and developing

a legal description of same. Obviously, given the extant nature, remoteness and inaccessibility of public land in Nevada which may be subject of transfer legislation, the cost of surveys to establish legal descriptions of the land to be conveyed could be very significant. ***One means to mitigate the cost of providing the necessary legal description of public land to be transferred would be to limit to the maximum extent possible the transfer to those lands which have already been surveyed by the BLM and /or are capable of being described on an aliquot parts basis.*** Because the land is not being sold to the State, other requirements of the federal government associated with disposal of land by sale would likely not apply to a transfer of public land such as the following:

1. Publication of a Notice of Realty Action in the Federal Register.
2. Compliance with NEPA through preparation of an environmental assessment addressing the proposed land transfer.
3. Completion of an appraisal of the property to be transferred to establish its Fair Market Value.

State of Nevada - Upon conveyance from the federal government, the State Land Registrar will be required to include such lands in the record of all lands and interests in land held by the Nevada Division of State Lands pursuant to [NRS 321.001](#) and of all lands and interests in land which have been sold by the Division. These records, together with all plats, papers and documents relating to the business of the State Land Office, must be open to public inspection during office hours at no charge. (NRS 321.040)

Pursuant to NRS 321.090 the State Land Registrar may select lands on behalf of the State of Nevada in accordance with the terms of any grant authorized by the Congress of the United States. Further, NRS 321.110 provides the following provisions regarding the acceptance of land grants by the Governor or State Land Registrar:

1. Pursuant to the laws of the United States, when any lands are offered to the State of Nevada by the United States Government or any department thereof, the Governor or the State Land Registrar may accept the lands and the possession and title thereof in the name of the State of Nevada and take all necessary steps to comply with any requirement and condition mentioned in the offer.
2. The State of Nevada shall negotiate for the acquisition of any such lands obtained pursuant to 1 above as an unconditional grant by the United States Government to the State of Nevada without any other considerations, and that if the State of Nevada is unable to acquire those lands in the manner indicated, the Governor or the State Land Registrar may obtain those lands on the best terms available.

The State Land Registrar will incur unspecified costs to include information regarding any public land transferred to Nevada in the public records of the Registrar's Office. Said information may include conveyance documents in the form of patents or deeds; existing mining claims; grants for existing land use authorizations such as right-of-way; and grazing permits, among others. In addition, the State Land Registrar may be called upon to assist in the selection of lands to be conveyed and the terms upon which said conveyance, unless specifically defined in federal transfer legislation, shall be accomplished. The Division of State Lands land records management function has a current annual budget of \$155,000 annually and maintains records

for State Lands totaling nearly 196,000 acres (including nearly 3,000 acres of original school trust lands). Currently, the Division of State Lands appears to spend an estimated \$1.26 per acre for land records management.

County Government – Documents conveying the transferred former federal land to the State of Nevada will likely need to be recorded in the offices of the respective Nevada counties where the transferred land is located. In addition, copies of existing land use authorizations for conveyed lands within each county such as mining claims, right-of-way, and grazing permits, among others may also need to be recorded or otherwise included in the official records maintained by each county. County Fees for recording documents are generally established by Nevada Revised Statute and run around \$17.00 for the first page and \$1.00 for each additional page. Fees for recording mining documents tend to be in the range of \$14.00 to \$17.00 plus \$4 to \$8.50 per map or claim. These fees are intended to reflect the cost of recording and represent the likely cost to counties to record information regarding transferred lands in county information systems.

#### D. Revenue Sources for State Management of Transferred Lands

Ultimately, once conveyed with patents and other land use authorization documents recorded in the records of the State of Nevada and her counties and as see in other states, revenues generated from the management and disposition of the transferred lands should be sufficient to cover administration and maintenance of transferred lands. However, on day one of a transfer, no revenues will have yet been generated and expenses, such as those associated with recording conveyance documents and related existing land use authorizations upon said transferred lands, will be incurred. As a consequence, it will be necessary for Nevada to have established a budget and provided funding to cover such costs until the transferred lands begin to generate revenues from which such costs can be paid.

Conceptually, General Fund or other State of Nevada monies could be made available on a temporary basis to jump-start the administration and management of transferred lands. As the transferred lands begin to generate revenues these costs could be covered by gross land management revenues. As the lands begin to produce net revenues as described in Section A above, the General Fund or other State of Nevada monies utilized to cover initial land administration and management costs could be repaid.

Alternatively, or following the initial use of and to minimize the need for State General Fund monies, it may be possible to collateralize a portion of the transferred lands and for the State to assume short to intermediate term debt to cover initial administrative and management costs. Transferred lands that have been previously identified as suitable for disposal (and may be among the highest value lands transferred to the State) could be used as collateral to secure short term financing to cover initial administration and land management costs. Once sold, the debt could be retired and excess funds from the land sale used to cover continuing costs of administration and land management. This approach could be used until the administration and management of remaining transferred lands becomes self supporting.

#### E. Land Management Related Revenue Distributed to State and Local Government in Nevada

While the Task Force has determined that the State of Nevada can generate significant net revenues from select transferred lands, an important consideration regarding the feasibility of such a transfer is the extent to which said net revenues would exceed or be offset by any loss in revenue from federal land management activities which is currently shared with the State and her counties. As shown in Table 5, significant funds are paid annually by the federal government from land management activities to the State of Nevada and her counties. During the years 2008 through 2012, distribution of a portion of the revenues generated through primarily surface land management activities by BLM in Nevada to the State of Nevada and local governments ranged between \$1,465,948 and \$5,447,044 annually. During those same years, the Department of Interior's (DOI) Office of Natural Resources Revenue (ONRR) distributed a portion of revenues generated primarily from subsurface management activities by BLM in Nevada to the State of Nevada and local governments ranging between \$9,794,788 and \$28,744,481. Finally, during the years 2008 through 2012, the Congress, exercising its discretion, authorized Payments In Lieu of Taxes (PILT) to Nevada ranging from \$22,610,017 to \$23,917,845.

As shown in Table 5, during the period 2008 through 2012 the combined total of these sources of federal payments to the State of Nevada and her counties has ranged between a low of \$0.72 to a high of \$1.13 per acre of land managed by BLM in Nevada. In contrast, as described in Section A above, the Task Force has determined that Nevada could achieve net land management revenues ranging between \$7.78 and \$28.59 per transferred acre managed. Assuming all BLM land in Nevada was transferred to the State and federal revenue sharing were to cease, the gain in net revenue per acre to the State would be on the order of \$7.06 to \$27.46 per acre. Given that it is not likely that all federal land in Nevada would transferred to the State, a component of federal revenue sharing would likely continue as it does in neighboring states with much higher acreages of state trust land and much lower percentages of federally administered land.

#### F. Fire Suppression

A 1996 study completed for the Board of Eureka County Commissioners identified the potential impacts of fire suppression costs and ways to manage costs in the event the State of Nevada secured an expanded State land base. The study found that while total BLM fire costs in Nevada appear to range between \$212 and \$264 per acre, fire suppression costs of the State of Nevada ranged between \$30 and \$80 per acre during the period 1990 through 1994. The average size of fires responded to by the State of Nevada ranged from 2 to 111 and averaged approximately 32 acres over the four-year period. During the period of 1990 through 1993, fires on BLM managed land averaged 78 acres in size. The 1996 study further concluded that under conditions of an assumed transfer of public land to the State of Nevada, expectations of fire suppression costs would be for significantly lower total expenditures than has been true for BLM. The complete Fire Suppression section including data tables from the 1996 report are included in Appendix F.

### **III. Identification of Public Lands to be Transferred to the State of Nevada**

#### A. Land Transfer Should be Completed in Phases

***Because Nevada currently only holds and manages less than 200,000 acres, of which only 3,000 acres are State Trust Lands, the Task Force recognizes that fiscal and staffing considerations suggest that the State would be well served to accept transferred federal lands in phases. The Task Force further believes that any phasing strategy must be focused in the beginning on lands which offer immediate revenue generating potential so as to enable the State early access to monies from which an expanded State Trust land management capacity can be established with minimal impact upon the State General Fund .***

#### B. Land to be Transferred During Phase I

During its various meetings, the Task Force considered a variety of options regarding what federal lands might be considered for transfer to the State of Nevada. Discussions of which lands to be transferred were initially framed by defining those federal lands which should be excluded from any transfer. Consideration of which lands to exclude from transfer was framed in part by a need to maintain the integrity of environmentally sensitive and culturally important areas designated by Congress for special management such as wilderness, national parks, national monuments, national recreation areas, national wildlife refuges, national conservation areas and federally recognized Indian reservations and other lands administered by the Bureau of Indian Affairs. Ultimately, it was determined that these areas should be excluded from any transfer to the State of Nevada.

The importance of federal military installations and federal energy research and development areas to the national security and Nevada's economy were also recognized. To ensure the continued availability of these areas to support the national defense and contribute to Nevada's economy, existing active Department of Defense and Department of Energy land installations and related land areas were identified for exclusion from any transfer to the State of Nevada.

Another issue framing the identification of which lands to be transferred considered the ability of Nevada to establish and maintain an expanded land management capacity in a manner which does not adversely impact other existing state operations and funding. ***The concept of self-funding of an expanded state land management function was embraced by the Task Force as a goal. Consequently, two key objectives were identified including 1) phasing of a federal to state land transfer to enable absorption of an expanded land management function in a fiscally neutral and sustainable manner and 2) selection of lands for transfer during Phase I having immediate potential for collateralization, minimal management costs and generation of net revenues in a short term.*** The ability to generate revenues in the short term led to the inclusion below in federal lands identified for transfer in Phase I of lands previously identified by BLM or local governments as suitable for disposal and/or development potential.

***The Task Force applied these framing considerations and has identified the following public lands in Nevada for inclusion in a proposed Phase I land transfer:***

- *BLM administered parcels of land less than 3,000 acres in size remaining within the original Central Pacific Railroad corridor along Interstate 80 in Northern Nevada (BLM Checkerboard)*
- *BLM lands previously identified for disposal and lands that meet the criteria for disposal (Identified by BLM as Suitable for Disposal)*
- *BLM lands under existing Recreation & Public Purposes (R&PP) Act lease (Existing BLM R&PP Leases)*
- *BLM lands authorized under Rights-of-Way granted to the State and local governments and non-linear Rights-of-Way granted to private parties (Existing BLM ROW Grants)*
- *BLM held subsurface estate where the surface estate is privately held (BLM Split Estate Estate)*
- *BLM lands designated by the Secretary of the Interior as Solar Energy Zones (BLM Designated Solar Energy Zones)*
- *BLM lands currently leased for geothermal exploration and utilization (Existing BLM Geothermal Leases)*
- *BLM lands authorized for disposal within enacted and introduced federal legislation (Approved and Proposed Congressional Transfers of BLM Land)*



**Table 5. BLM NV, DOI ONRR and PILT Revenue Distribution to Nevada State and Local Governments**

| <b>Revenue Source</b>                                    | <b>2008</b>  | <b>2009</b>  | <b>2010</b>  | <b>2011</b>  | <b>2012</b>  |
|--|--------------|--------------|--------------|--------------|--------------|
| BLM NV Revenue Dist. to NV State/Local Govt.             | \$5,447,044  | \$2,136,862  | \$2,560,635  | \$1,465,948  | \$1,725,963  |
| DOI ONRR Revenue Dist. to NV State/Local Govt.           | \$17,622,148 | \$28,744,481 | \$17,059,292 | \$9,794,788  | \$11,785,382 |
| PILT Payment to Nevada                                   | \$22,610,017 | \$23,269,350 | \$22,753,204 | \$22,942,298 | \$23,917,845 |
| Total BLM NV/ONRR/PILT Revenue Dist. To NV State/Local   | \$45,679,209 | \$54,150,693 | \$42,373,131 | \$34,203,034 | \$37,429,190 |
| Total Acres Managed by BLM in Nevada                     | 47,808,114   | 47,806,738   | 47,805,923   | 47,794,096   | 47,783,458   |
| Total Revenue Dist. to NV State/Local Govt./Acre Managed | \$0.96       | \$1.13       | \$0.87       | \$0.72       | \$0.78       |

Sources: BLM NV Revenue, PILT and Acres Managed data from U.S. Department of Interior, Bureau of Land Management, *Public Land Statistics*, annual reports 2008 – 2012; ONRR Revenue data from Department of Interior, Office of Natural Resources Revenue, *Annual Revenue Reports*, 2008-2012.

Table 6 lists the estimated acreage for each of the identified classes of public land identified for transfer during Phase I.

**BLM Checkerboard** -*The Task Force has determined that one of the issues which confounds the economy of Nevada and can serve to impede conservation objectives of land management is the split nature of ownership rights associated with the federal estate in Nevada.* When the federal government administers lands intermingled with parcels of private land, issues surrounding access, water rights and water use, and grazing management can be confounded on both public and private lands involved. Nowhere in Nevada is this issue of complexity of surface land management more apparent than within the area known as the BLM administered land remaining within the original Central Pacific Railroad corridor along Interstate 80 in Northern Nevada, otherwise known as the “checkerboard”. In some cases, the BLM has exchanged parcels of its checkerboard land with other private land holders to create blocks of public land which enhance management or

**Table 6. Lands Identified for Transfer from the Federal Government to Nevada During Phase I**

| Description   | Estimated Acreage |
|---|-------------------|
| BLM Checkerboard  | 2,170,000         |
| Identified by BLM as Suitable for Disposal                | 1,000,000         |
| Existing BLM R&PP Leases                                  | 200,000           |
| Existing BLM ROW Grants                                   | 255,000           |
| BLM Split Estate  | 300,000           |
| BLM Designated Solar Energy Zones                         | 60,395            |
| Existing BLM Geothermal Leases                            | 1,045,079         |
| Approved and Proposed Congressional Transfers of BLM Land | 250,000 (est.)    |
| <b>Total Estimated Phase I Acreage</b>                    | <b>5,280,474</b>  |

Sources: Spilt Estate: [http://www.blm.gov/wo/st/en/info/About\\_BLM/subsurface.html](http://www.blm.gov/wo/st/en/info/About_BLM/subsurface.html);  
 Geothermal Leases: As of 9/30/12; Department of Interior, BLM, *Public Land Statistics*, Volume 197, Tables 3-13 and 3-14, June 2013; SNPLMA; 29,284 remaining as of 9/30/13;  
[http://www.blm.gov/pgdata/etc/medialib/blm/nv/field\\_offices/las\\_vegas\\_field\\_office/snplma/pdf/reports.Par.12274.File.dat/PROGRAM%20STATISTICS%20Thru%20%20September%202013.pdf](http://www.blm.gov/pgdata/etc/medialib/blm/nv/field_offices/las_vegas_field_office/snplma/pdf/reports.Par.12274.File.dat/PROGRAM%20STATISTICS%20Thru%20%20September%202013.pdf)

protection of important wildlife habitat or other resources. *The Task Force believes that if transferred to the State of Nevada, the BLM administered checkerboard parcels of land less than 3,000 acres in size represent the opportunity for the State of Nevada to undertake immediate action to sell certain of these lands and/or to exchange them with private land owners to both increase the management viability and revenue generation potential of the lands and to increase the value of the resulting State Trust Land portfolio.* It is estimated that BLM administered checkerboard parcels of land less than 3,000 acres in size total approximately 2,170,000 acres. The Task Force recommends that these lands be transferred to Nevada during Phase I.

Identified by BLM as Suitable for Disposal - BLM is authorized through various laws to identify and dispose of public land. Sec. 203 of the Federal Land Policy and Management Act (FLPMA) authorizes the Secretary of Interior to sell a tract of the public land (except land in units of the National Wilderness Preservation System, National Wild and Scenic Rivers Systems, and National System of Trails) where, as a result of BLM land use planning, the Secretary determines that the sale of such tract meets certain disposal criteria which include:

*(1) such tract because of its location or other characteristics is difficult and uneconomic to man-age as part of the public lands, and is not suitable for management by another Federal department or agency; or*

*(2) such tract was acquired for a specific purpose and the tract is no longer required for that or any other Federal purpose; or*

*(3) disposal of such tract will serve important public objectives, including but not limited to, expansion of communities and economic development, which cannot be achieved prudently or feasibly on land other than public land and which outweigh other public objectives and values, including, but not limited to, recreation and scenic values, which would be served by maintaining such tract in Federal ownership.*

BLM typically identifies and evaluates parcels of public land as potentially suitable for disposal during their periodic land use planning activities. In a draft 1999 document, the Nevada Division of State Lands determined that various BLM land use plans in Nevada had identified 1,112,419 acres of public land as suitable for disposal. (Nevada Division of State Lands, *BLM Lands Identified for Disposal*, March 19, 1999). Largely due to focus and spending on other land management priorities, during the past 15 years very little of the land identified by BLM for disposal in Nevada has been processed for sale and sold.

More recently, BLM Districts in Nevada have or are in the process of updating their land use plans. For example the Ely Resource Management Plan, which was adopted in August 2008, identifies 75,582 acres of public land in the Ely District as suitable for disposal. This is down from the 90,008 acres identified in the previous land use documents upon which the Division of State Lands based its 1999 estimate. Resource Management Plan updates are being prepared for most other BLM districts in Nevada and updated estimates of lands identified as suitable for disposal are not yet available for most BLM districts in the state. ***The Task Force is recommending that all lands previously identified as suitable for disposal in existing BLM land use plans but not yet disposed of (estimated to be 1,100,000 acres) be transferred to the State of Nevada during Phase I.***

Existing BLM R&PP Leases - The Recreation and Public Purposes Act of 1954 (R&PP) authorizes the sale or lease of public lands by BLM for recreational or public purposes to State and local governments and to qualified nonprofit organizations. Examples of typical uses under the act are historic monument sites, campgrounds, schools, fire houses, law enforcement facilities, municipal facilities, landfills, hospitals, parks, and fairgrounds. Applications are made to BLM for R&PP sites and upon approval are leased to the applicant until such time as the property is fully improved to reflect its intended public purpose. At that time, BLM can sell the land which subject of the R&PP lease to the lease. Unfortunately, ***the Task Force learned during its deliberations that requests to obtain patent to R&PP land have taken many years to***

*process and many thousands of acres of leases are now occupied by fully developed public facilities.*

In testimony before the Task Force, a representative of Clark County reported that it held R&PP leases totaling 15,880 acres. Clark County has previously approached Nevada's congressional delegation about seeking legislation transferring the land which is covered by these R&PP leased lands from the BLM to the County. While it is known that the State of Nevada and many, if not all, Nevada counties hold BLM issued R&PP leases, the total acreage of this class of land use authorizations is not known. Recognizing that Clark County holds approximately 15,880 acres of R&PP leases, and the State of Nevada and other local governments in Nevada each likely hold R&PP leases, it is estimated that the total acreage of such leases to the State and local governments in Nevada may exceed 200,000 acres. ***Because the terms of existing BLM issued R&PP leases can restrict a holder from making any changes in the land use subject to said authorization without additional processing time and expense, the Task Force recommends that all lands under existing R&PP leases held by the State of Nevada and her local governments be transferred to the State of Nevada during Phase I.***

Existing BLM ROW Grants - In addition, pursuant to FLPMA, BLM is authorized to grant rights-of-way to State and local governments and to qualified nonprofit organizations for various public facility and infrastructure needs. These tend to be, but are not limited to linear in nature. In testimony before the Task Force, a representative of Clark County reported that it held BLM issued rights-of-way totaling 17,000 acres. While it is known that the State of Nevada and many, if not all, Nevada counties hold BLM issued rights-of-way grants, the total acreage of this class of land use authorizations is not known.

BLM is also authorized to grant rights-of-way to private parties and industry for various economic uses of the public land. Examples include sites for coal, natural gas, wind, solar and geothermal power plants and telecommunications sites. These rights-of-way tend to be non-linear in nature and host industrial facilities. It is not known how many acres of such non-linear rights-of-way have been granted by BLM and exist within Nevada but an estimate of 5,000 acres is used in this report.

Given that rights-of-way include those for roads owned by the State of Nevada and local governments, it is estimated that the acreage of this class of land to be transferred likely exceeds 250,000 acres statewide. For example, the right-of-way for U.S. Highway 93 is in most places is 400' wide and the highway stretches 500 miles across Nevada for an estimated total of 24,259 acres. Combined, it is possible that State of Nevada and local government held BLM issued R&PP leases and rights-of-way total in excess of 450,000 acres. ***Because the terms of existing BLM issued rights-of-way can restrict a holder from making any changes in the land use subject to said authorization without additional processing time and expense, the Task Force recommends that all lands under existing BLM granted rights-of-way held by the State of Nevada and her local governments and all lands under existing BLM granted rights-of-way held by private entities be transferred to the State of Nevada during Phase I.***

BLM Split Estate Estate - Where the federal government administers the surface and the subsurface, decisions regarding land use authorizations can take inordinate amounts of time to be

processed; are subject to multiple layers of decision-making and can pose a financial burden to those requesting said authorizations. In many cases, while the land surface is privately owned, the federal government has retained the subsurface estate placing private surface land use and investment at risk. Finally, ***the Task Force intends that all valid existing land use authorizations be continued on all public land transferred to the State of Nevada.*** In some cases, BLM may hold surface and/or groundwater rights which are appurtenant to valid existing land uses on public land identified for transfer to the State of Nevada. Transfer of said land without transfer of the water rights supporting valid existing authorized land uses would confound the ability of the State of Nevada to recognize and honor said valid existing authorized land uses. ***Accordingly, the Task Force recommends that for all transferred lands the following rights will be transferred from the federal government to the State of Nevada:***

- ***Surface estate***
- ***Subsurface estate***
- ***Federally held water rights appurtenant to transferred lands***

***BLM Designated Solar Energy Zones*** – Following a three-year planning process, the Secretary of Interior designated Solar Energy Zones on BLM administered land in Arizona, California, Colorado, Nevada, New Mexico and Utah. Designation of the 17 SEZs was intended by the Secretary to spur development of solar energy on public lands in these six western states. Within Nevada, five SEZs were established totaling 60,395 acres. Figure 2 shows the locations of the SEZs in Nevada. While establishment of the SEZs was intended by BLM to incentivize and speed development of solar energy projects within each area, a failure by BLM to complete regulations governing competitive leasing of sites within SEZs coupled with continuing requirements to comply with the National Environmental Policy Act (NEPA) and related development and implementation of regional solar mitigation strategies for projects within SEZs challenges the competitiveness of said areas as alternatives for which investment by solar industry will occur. As a consequence, the State of Nevada and her local governments may miss out on the economic and fiscal benefits associated with industry investments in solar energy projects. ***If given the opportunity, the Task Force believes that the State of Nevada, in consultation with her counties, can attract and permit the development of solar energy projects within SEZs in a manner which will attract investment in solar energy projects to Nevada. As a consequence, the Task Force recommends that designated Solar Energy Zones on BLM administered land in Nevada be transferred to the State of Nevada during Phase I.***

***Existing BLM Geothermal Leases*** – As noted by the Nevada Division of Minerals, Nevada’s geothermal resources are utilized in three major ways. The geothermal resources are used to generate electricity, for space heating, and commercial applications.

Nevada’s geothermal electrical generation plants are located predominantly in the northern portion of the State. Currently, Nevada has 586 megawatts of nameplate generating capacity from 22 operating geothermal plants, at 14 different locations. Nevada’s geothermal plants can theoretically generate up to 539 megawatts of power collectively in any given hour. A megawatt is 1,000 kilowatts, which is enough electrical power to serve over 300 typical households. The 2013 gross electrical output for Nevada’s 22 geothermal plants was 3,433,903.5 MWh, with net

output (sales) being 2,588,629.0 MWh. Nevada's electrical generation capacity from its geothermal plants is second only to California.

Geothermal energy is also used to heat homes and businesses in numerous Nevada locations. The cities of Elko and Caliente have small heating districts that are approved by the Public Utility Commission to provide heat for buildings. A private heating district provides heat to homes in southwest Reno. Domestic geothermal heating systems utilizing an anomalous heat source provide heat to individual residences and ranches. Heat pump and ground source heat systems that do not utilize an anomalous heat source are not considered geothermal systems in Nevada.

Geothermal resources can be used to assist processing in both agricultural and mining operations. In the case of agriculture, heat from geothermal fluids is used in the dehydration process of vegetables. In mining, geothermal fluids have been used to assist in the separation of gold from associated ore. ([http://minerals.state.nv.us/ogg\\_nvgeorespro.htm](http://minerals.state.nv.us/ogg_nvgeorespro.htm))

Of the 22 operating geothermal energy plants in Nevada, 13 are located on lands administered by the BLM. Collectively, these 13 plants generate nearly 382 of the 539 megawatts (or 71 percent) of generating capacity in Nevada. BLM administered lands in Nevada play an important role in providing sites geothermal utilization projects. As of September 30, 2012, BLM in Nevada had 701 geothermal leases in place covering 1,045,079 acres. With only 13 operating plants out of 700 plus leases, the potential for enhanced geothermal energy production on BLM administered land appears excellent. Unfortunately, the federal statutory and regulatory framework which BLM must apply encourages a process which can be uncertain, costly and quite extended. This permitting environment can discourage investment in geothermal projects. ***If given the opportunity, the Task Force believes that the State of Nevada, in consultation with her counties, can attract and permit the development of geothermal energy projects within existing geothermal lease areas in a manner which will attract heightened investment in geothermal energy projects to Nevada. As a consequence, the Task Force recommends that all existing land under existing BLM geothermal lease be transferred to the State of Nevada during Phase I.***

Approved and Proposed Congressional Transfers of BLM Land – The BLM has been authorized to dispose of land in Nevada through various special acts of Congress. Included are the Mesquite Land Act (MLA) (PL 99-548), Southern Nevada Public Land Management Act (SNPLMA) (PL 105-263), the Lincoln County Land Act (LCLA) (PL 106-298), the Lincoln County Conservation, Recreation and Development Act (LCCRDA) (PL 108-424) and the White Pine County Conservation, Recreation and Development Act (WPCCRDA) (PL 109-432). Table 7 shows the acreage authorized for sale, the acres actually sold and remaining acres to be sold for each act.

Upon passage of amendments to LCLA which were contained in LCCRDA which effectively, resolved NEPA compliance issues and required the sale of 13,466 acres within 75 days, the BLM sold the subject land expeditiously. Unfortunately, the Bureau's progress in processing land sales authorized pursuant to LCCRDA and WPCCRDA has been less fruitful. ***The Task Force believes that if provided the opportunity, the State of Nevada in consultation with local governments can efficiently and in a more timely manner process the sale of lands authorized***

*by SNPLMA, LCLA, LCCRDA and WPCCRDA resulting in land sale revenues accruing to the State and the addition of sold lands to county tax rolls. Accordingly, the Task Force recommends that the lands authorized for disposal pursuant to MLA, SNPLMA, LCLA, LCCRDA and WPCCRDA be transferred to the State of Nevada during Phase I.*

**Table 7. Status of Land Acts in Nevada**

| Abbreviated Title of Act | Acres Authorized for Disposal | Acres Disposed | Acres Remaining to be Disposed |
|--------------------------|-------------------------------|----------------|--------------------------------|
| MLA                      | ?                             | ?              | ?                              |
| SNPLMA                   | 74,000                        | 44,716         | 29,284                         |
| LCLA                     | 13,300                        | 13,466         | 0                              |
| LCCRDA                   | 90,000                        | <1,000         | 89,000 (est.)                  |
| WPCCRDA                  | 45,000                        | <1,000         | 44,000 (est.)                  |

Sources: SNPLMA,

[http://www.blm.gov/pgdata/etc/medialib/blm/nv/field\\_offices/las\\_vegas\\_field\\_office/snplma/pdf/reports.Par.12274.File.dat/PROGRAM%20STATISTICS%20Thru%20%20September%202013.pdf](http://www.blm.gov/pgdata/etc/medialib/blm/nv/field_offices/las_vegas_field_office/snplma/pdf/reports.Par.12274.File.dat/PROGRAM%20STATISTICS%20Thru%20%20September%202013.pdf); LCLA, [http://www.blm.gov/wo/st/en/prog/more/lands/land\\_tenure/sale.print.html](http://www.blm.gov/wo/st/en/prog/more/lands/land_tenure/sale.print.html)

LCCRDA and WPCCRDA; estimated.

In addition to special federal land sale legislation already enacted into law, there are bills pending before the Congress which also authorize the sale or transfer of public land in Nevada. They include:

HR 1168; 1,400 acres of BLM administered land within the City of Carlin (Amoedi)

HR 1167; all acres of BLM surface estate in Storey County (Amoedi)

HR 1170; 9,407 acres of BLM administered land within the City of Fernley (Amoedi); S 1983 (Heller)

HR 1633; authorizes BLM and USFS to dispose of parcels of not greater than 160 acres which:

(A) shares one or more boundaries with non-Federal land;

(B) is located within the boundaries of an incorporated or unincorporated area with a population of at least 500 residents;

(C) is not subject to existing rights held by a non-Federal entity;

(D) does not contain an exceptional resource; and

(E) is not habitat for an endangered species or a threatened species determined under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533). (Amoedi)

HR 2455; 275 acres of BLM land to Elko County for motocross track (Amoedi); S 1167 (Heller)

HR 4419; authorizes BLM and USFS to dispose of parcels of not greater than 160 acres which:

(A) shares one or more boundaries with non-Federal land;

(B) is located within the boundaries of an incorporated or unincorporated area with a population of at least 500 residents; and

(C) is not subject to existing rights held by a non-Federal entity. (Amoedi)

HR 696; 12,500 acres to the City of Yerington (Horsford); S 159 (Heller)

HR 2015; 660 acres to the City of Las Vegas and 645 acres to the City of North Las Vegas (Horsford); S 794 (Reid)

S 1263; 13,796 acres to Douglas County; 10,287 acres of BLM land for sale (Heller)  
S 343; 948 acres to Henderson Redevelopment Agency (Reid); HR 697 (Heck)

Collectively, the pending federal legislation listed above includes at least 50,000 acres of federal land to be transferred to the State of Nevada or specific local governments. *The Task Force believes that where appropriate and if given the opportunity the State of Nevada in consultation with local governments can efficiently and in a timelier manner process the transfer to respective local governments and/or sale of land addressed in the aforementioned proposed legislation. Accordingly, the Task Force recommends that the lands authorized for disposal pursuant to the aforementioned pending federal legislation be transferred to the State of Nevada during Phase I.*

#### C. Land to Be Transferred in Subsequent Phases

*Assuming that Nevada is able to effectively absorb and manage in a fiscally sustainable manner the public land transferred to the State during Phase I, the Task Force recommends that subsequent land transfer phases consider the following classes of federal land:*

- *Other BLM administered lands*
- *United States Forest Service lands*
- *Bureau of Reclamation lands identified as surplus*
- *Other federally managed and administered lands identified as surplus*

Similar to Phase I, sensitive and culturally important areas designated by Congress for special management such as wilderness, national parks, national monuments, national recreation areas, national wildlife refuges, national conservation areas and federally recognized Indian reservations and other lands administered by the Bureau of Indian Affairs would be excluded from transfer to the State.

### IV. Administration, Management and Use of Transferred Land

#### A. Administration and Management of Transferred Lands

*The Task Force has considered alternatives for administration and management of an expanded State land base and has determined that land to be transferred by the Congress should be transferred to and administered by the State of Nevada, Division of State Lands. The Division could then be responsible for granting or selling those lands identified in pending federal legislation for transfer to local governments to said governments. The Division already is responsible for administration of the remaining 2,900 acres of State School Trust land held by Nevada and administers others lands belonging to the State of Nevada (approximately 193,000 acres). As described previously, **the Task Force is recommending that the majority of transferred land be held in trust and managed for the benefit of select beneficiaries.***

During his September 27, 2013 presentation to the Task Force, Mr. Jim Lawrence, Administrator of the Nevada Division of State Lands reported that his office maintains a staff of 7 and could, with additional staffing and budget, effectively manage an expanded State land base. As shown in Table 8, other states with significantly greater state trust land holdings manage their lands



effectively with staffing to acreage levels ranging from 9,266 to 74,616 acres per full time equivalent (FTE) staff position. Actual staffing levels for the states of Arizona, Idaho, New Mexico and Utah range from a low of 66 in Utah managing 3.4 million acres of trust lands to 264 in Idaho managing 2.4 million acres of trust land. These differences in both acres per FTE and numbers of staff reflect the labor intensive nature of managing commercial timber land in Idaho versus the lack of such timber resources in Utah. New Mexico's acreage to staffing ratio reflects the extensive oil and gas resources which have been and continue to be developed on state trust lands in that state.

Based upon the mix of natural resources managed in Arizona, Idaho, New Mexico and Utah, the Task Force believes that the State of Nevada could effectively manage an expanded state trust land base with acres per FTE rate ranging between 44,275 and 74,616 acres per FTE. *Were the Congress to transfer 4,000,000 acres to the State of Nevada, the Task Force estimates management of this area would require a staffing level at the Division of State Lands of between 54 and 90 persons.* This is a significant increase in staffing above the 7 staff currently employed by the Division. Initially and as the Division of State lands staffing levels grew, the Task Force believes that many of the required land management functions could be undertaken by temporary contractors. As Phase I revenues begin to accrue, staffing levels at the Division could be expanded as necessary to effectively manage the expanded state trust land area as needed maximize net returns to trust beneficiaries on a sustained basis.

Depending on the nature of other federal lands which might be transferred during subsequent phases, the acres per FTE ratio might go up as the transferred lands require less intensive management (recall that Phase I lands have been identified owing to their immediate to short term revenue generating capacity). The expanded management capacity of the Division of State Lands may also enable the absorption of a greater state trust land base without the addition of a commensurate number of employees per acre managed. *As Nevada's state trust land inventory grew over time, the Task Force would expect the acres managed per FTE within the Division of States Lands to increase from the initial expected range of 44,275 to 74,616 acres per FTE to a rate approaching 75,000 acres per FTE or more.*

**Table 8. Five-Year Average Acres of State Trust Land Managed, Staffing Level (Full Time Equivalents) and Acres Managed Per FTE, Arizona, Idaho, Nevada, New Mexico and Utah, 2008-2013**

| Area                | Acres of State Land | Staffing Level (FTE) | Acres per FTE |
|---------------------|---------------------|----------------------|---------------|
| Nevada <sup>1</sup> | 196,000             | 7                    | 28,000        |
| Arizona             | 9,266,468           | 155                  | 60,569        |
| Idaho               | 2,450,355           | 262                  | 9,346         |
| New Mexico          | 8,963,363           | 153                  | 58,592        |
| Utah                | 3,405,577           | 70                   | 48,595        |

<sup>1</sup>/ Nevada data is for 2013.

Sources: Nevada, Nevada Division of State Lands, other states annual reports for respective state land departments, 2008-2013.

While management of an expanded state trust land area would be the primary responsibility of the State of Nevada, Division of State Lands there would be instances where shared management with other state or local government entities might be appropriate. For example, should the Division of State Lands determine the development of an industrial park with sites for sale or lease to industry was the highest and best use for a parcel of trust land, the Governor's Office of Economic Development and/or a Regional Economic Development Authority might work closely with the Division to market the industry park to industry. This same case might see a county or city cooperating with the Division to plan and secure funding for infrastructure to serve said industrial park. The county or city would benefit from increased area employment, incomes and tax revenue while the Division and the state land trust beneficiaries would benefit from enhanced generation of land lease or sale revenue.

Presentations and public comments made during Task Force meetings identified concern regarding the capability of the State of Nevada to address the development and use of transferred lands in an environmentally responsible manner. The Task Force received presentations from Mr. Leo Drozdoff, Director of the Nevada Department of Conservation and Natural Resources and Dr. Mike Baughman, President of Intertech Services Corporation which described the capabilities of the State of Nevada to ensure that development and use of transferred lands is done in an environmentally responsible manner<sup>3</sup>. The Task Force has learned that the following agencies of the State of Nevada are empowered by Nevada Revised Statute and regulation to address the environmental integrity of potential development and uses of federal land transferred to the State of Nevada:

- Nevada Department of Conservation and Natural Resources
  - Nevada Division of Environmental Protection
    - Bureau of Air Pollution Control
    - Bureau of Mining Regulation and Reclamation
    - Bureau of Water Pollution Control
  - Nevada Environmental Commission
  - Nevada Division of Forestry
- Nevada Commission On Minerals
  - Nevada Division of Minerals
- Public Utilities Commission of Nevada

Collectively, these agencies are responsible for the following environmental regulation:

- Air Quality
- Water Quality
- Mining Reclamation
- Solid Waste Management

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<sup>3</sup> Dr. Mike Baughman, Intertech Services Corporation, *Capacity of the State of Nevada to Undertake Environmental Protection Programs*, presentation to the Nevada Public Lands Management Task Force, February 21, 2014, Carson City, Nevada; available at

[http://www.nvnaco.org/images/2\\_21\\_14\\_state%20of%20nevada%20%20environmental%20protection%20program%20%20%20capacity%20\\_rev%201.pdf](http://www.nvnaco.org/images/2_21_14_state%20of%20nevada%20%20environmental%20protection%20program%20%20%20capacity%20_rev%201.pdf)

- Hazardous Waste Management
- Development of new environmental regulations
- Protection of Timbered Lands
- Protection of Trees and Flora
- Protection of Christmas Trees, Cacti and Yucca
- Controlled Fires
- Control of Forest Insects and Diseases
- Use of Mechanical Devices for Harvesting Pine Nuts or Cones from Pinon Trees
- Protection and Propagation of Selected Species of Native Flora
- Forest and Range Renewable Natural Resources
- Oil, gas, and geothermal drilling activities and well operations
  - Permitting, inspecting, and monitoring all oil, gas, and geothermal drilling activities on both public and private lands in Nevada.
  - Monitors production of oil, gas, and geothermal resources to insure proper management and conservation.
- Abandoned mine lands
  - Identifying and ranking dangerous conditions at mines that are no longer operating
- Securing dangerous orphaned mine openings
- Regulation of the location and environmental impacts of all utility projects over a certain scale, including energy generation projects (over 70MW), transmission projects (over 200kV), as well as large water and sewer utility projects
- Maintenance of a process by which stakeholders including local governments, individuals, and representatives of environmental groups, can be parties to the utility project approval process

In addition, the Task Force is aware that local governments in Nevada have the authority, pursuant to Nevada Revised Statute, to review, impose conditions upon and approve or deny land uses within their jurisdictions. Said local government reviews are intended to ensure that proposed land uses are consistent with adopted local land use plans and ordinances and are in the public interest.

***The Task Force believes that given existing statutory and regulatory environmental and land use review, oversight and approval/denial authority vested with State of Nevada agencies and local government, proposed development and use of transferred lands in an environmentally responsible manner is likely.***

#### B. Uses of Transferred Lands

The Task Force has identified a variety of revenue generating and non-revenue generating uses which might be made of transferred lands. In recommending that the land transfer be accomplished through phases, and in recommending that Phase I lands be comprised entirely of lands with immediate to short term revenue generating potential, ***the Task Force is seeking to ensure that the management of an expanded state trust land base be self-funding as soon as possible.*** Given the nature of lands to be excluded from transfer in any phase as recommended by the Task Force (i.e. wilderness, national parks, national monuments, national recreation areas,

national wildlife refuges, national conservation areas and federally recognized Indian reservations and other lands administered by the Bureau of Indian Affairs), ***the Task Force believes that all lands transferred in any phase to the State of Nevada, Division of State Lands for management as state trust lands to benefit designated beneficiaries should be managed to maximize sustainable net revenue for said beneficiaries.*** This would except those lands transferred to the State which were subsequently transferred to or sold to a local government for community development and other public purposes. It should also be noted that transferred state lands might, in some cases, be used to mitigate impacts to enable development of other state trust lands for their highest and best revenue generation use. As a consequence, and given the many millions of acres of federally designated wilderness which already exist in Nevada, ***the Task Force does not believe that any lands transferred by the Congress to the State of Nevada need set-aside and managed by the State of Nevada as wilderness.***

Given the sustained revenue generation goal that the Task Force sees for the Division of State Lands in managing an expanded state trust land base, the following possible uses of said lands which might generate revenues have been identified. This list is not all inclusive and other possibilities are likely to become apparent as the State's management capacity for its expanded land area matures.

**Table 9. Alternative Uses of Transferred Land Which Might Generate Revenue for Designated Beneficiaries**

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|                           |                      |                      |
|---------------------------|----------------------|----------------------|
| <b><u>Recreation</u></b>  | Off-Road Racing      | Land sailing         |
| Big Game Hunting          | Camping/RV           | Backpacking          |
| Small Game Hunting        | OHV Use              | Trail riding         |
| Waterfowl Hunting         | Rock hounding        | Photography          |
| Upland Bird Hunting       | Cross-Country Skiing | Snowmobiling         |
| Trapping                  | Alpine Skiing        | Wildlife Viewing     |
| Boating                   | Snowboarding         |                      |
| Fishing                   | Archeology           |                      |
| <br>                      |                      |                      |
| <b><u>Agriculture</u></b> | Grazing              | Landscape Materials  |
| Water Storage             | Farming              |                      |
| Water Transmission        | Aquaculture          |                      |
| <br>                      |                      |                      |
| <b><u>Forestry</u></b>    | Christmas Trees      | Biofuels             |
| Posts and Rails           | Pine Nuts            | Firewood             |
| Pulp                      | Chemical Extracts    |                      |
| Woodchips                 | Biochar              |                      |
| <br>                      |                      |                      |
| <b><u>Energy</u></b>      | Solar                | Hydropower           |
| Oil                       | Wind                 | Biomass              |
| Gas                       | Geothermal           |                      |
| <br>                      |                      |                      |
| <b><u>Development</u></b> | Telecommunications   | Land Leases          |
| Summer Homes              | Transportation       | Housing              |
| Ranchettes                | Utilities            | Airports             |
| Summer Camps              | Industrial Parks     | Govt. Installations  |
| Pack Stations             | Commercial           | Community Facilities |
| Dude Ranches              | Land Sales           |                      |
| <br>                      |                      |                      |
| <b><u>Mining</u></b>      | Industrial Metals    | Sand and Gravel      |
| Precious Metals           | Industrial Minerals  | Topsoil              |
| <br>                      |                      |                      |
| <b><u>Other</u></b>       | Advertising          | Airspace Easements   |
| Movie Production          | Feral Horse Mgt.     |                      |

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Appendix A

AB 227

Preliminary Draft

## APPENDIX B

Listing of Nevada Land Management Task Force Members

(To Be Completed)

Preliminary Draft

## APPENDIX C

Summary of Formal Presentations to and Testimony before the Nevada Land  
Management Task

(To Be Completed)

Preliminary Draft



## APPENDIX D

Listing of Persons Providing Public Comments and Summary of Issues Raised

(To Be Completed)

Preliminary Draft

## APPENDIX E

Comparative Analysis of Revenues and Expenses for State Trust Land  
Management and Bureau of Land Management in Select States: Implications for an  
Expanded State Land Base in Nevada

Preliminary Draft

## APPENDIX F

Section 7.3 *Fire Suppression* of Alternatives for Management of  
An Expanded State Land Base in Nevada  
A 1996 Study Prepared For  
The Board of Eureka County Commissioners

Preliminary Draft

**Excerpt from *Alternatives for Management  
Of an Expanded State Land Base in Nevada*<sup>4</sup>**

**7.2 Fire Suppression** - Discussion about transfer of public land in Nevada to state and/or county administration eventually includes concern over the extent to which fire suppression costs might render local management infeasible. Table 9 provides data descriptive of BLM fire management activity in Nevada during the period of 1990 through 1993. During this period, BLM fought 1,360 fires on land administered by the Bureau. Another 391 fires were responded to on lands not managed by BLM. The four year period saw 105,452 acres of BLM managed land burned in wildland fires. BLM responded to fires on non-agency administered lands which consumed another 45,438 acres. During the four year period, the average size of wildland fires on BLM administered lands was 78 acres. The average size of fires responded to by BLM on non-Bureau managed lands during this period was 116 acres.

Table 9 also provides statistics regarding the pre-suppression cost and cost per acre for fires responded to by BLM in Nevada. During the four-year period of 1990 to 1993, pre-suppression costs ranged from a low of \$3.1 million to nearly \$5.5 million in 1993. The average pre-suppression cost per fire ranged from \$7,062 to \$15,567 in 1993. It is important to note that fire pre-suppression costs do not include all costs to prevent and fight wildland fires on BLM lands in Nevada. Information provided by the Acting Fire Management Officer for the BLM in Nevada indicates that total suppression costs for fires by BLM in Nevada during the years 1992, 1993, and 1994 were \$5,063,647, \$2,197,248, and \$10,612,984, respectively.<sup>5</sup> Collectively then, it appears as though total BLM fire pre-suppression and suppression costs have ranged between \$8 and \$10 million during the past few years. This would suggest total fire costs on the order of \$212 per acre (at average of 37,750 acres burned per year at a cost of \$8 million) to \$264 per acre (at average of 37,750 acres burned per year at a cost of \$10 million). It is important to note that collection of complete and consistent fire cost information from BLM has been difficult.

To understand how state management of public lands in Nevada might bear upon fire costs, a review of Nevada and other western state wildland fire management activities was undertaken. Data for

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<sup>4</sup> Intertech Services Corporation, *Alternatives For Management Of An Expanded State Land Base In Nevada*, prepared for Board of Eureka County Commissioners and Eureka County Public Land Advisory Commission, Carson City, Nevada, February 1996.

<sup>5</sup> Correspondence received October 27, 1995 from Ms. Jean Rivers-Council, Associate State Director, BLM Nevada.

Table 9.

Frequency, Acreage Burned, and Pre-Suppression Costs of Fires On,  
Or Threatening, Lands Administered By BLM Within Nevada  
Fiscal Years 1990 - 1993

| Year | Fires Suppressed <sup>1</sup> |         |             | Acres Burned <sup>1</sup> |         |                    | Acres/Fire | NSO Fire Pre-Suppression Cost | \$/Fire  | NSO Fire Pre-Suppression Cost/Acre |
|------|-------------------------------|---------|-------------|---------------------------|---------|--------------------|------------|-------------------------------|----------|------------------------------------|
|      | BLM                           | Non-BLM | Total Fires | BLM                       | Non-BLM | Total Acres Burned |            |                               |          |                                    |
| 1990 | 323                           | 118     | 441         | 15,322                    | 8,398   | 23,720             | 54         | \$ 3,114,385                  | \$7,062  | \$ 131.30                          |
| 1991 | 364                           | 110     | 474         | 18,119                    | 8,459   | 26,578             | 56         | \$ 3,868,222                  | \$8,161  | \$ 145.54                          |
| 1992 | 395                           | 88      | 483         | 25,295                    | 22,768  | 48,063             | 100        | \$ 4,872,594                  | \$10,088 | \$ 101.37                          |
| 1993 | 278                           | 75      | 353         | 46,716                    | 5,813   | 52,529             | 149        | \$ 5,495,153                  | \$15,567 | \$ 104.61                          |

1/ Includes fires suppressed through force account and contract protection.

Sources: Fire frequency and acreage data: USDI, Bureau of Land Management, Public Land Statistics, 1990-1993 editions;  
NSO Fire Suppression Costs: Bureau of Land Management Nevada State Office (NSO), Labor Cost and Operations Plans, 1990-1993.

this analysis was drawn from annual reports typically produced by each state division of forestry. Tables 10, 11, 12, and 13 provide summary statistics for wildland fire suppression by the states of Nevada, Utah, Arizona, and New Mexico, respectively. Table 14 provides a summary of aggregated four-state fire suppression data. The individual state tables each suggest that while the number of wildland fires responded to by states is similar to BLM, the total cost per fire and cost per acre incurred by states is significantly less than was evidenced for BLM in Nevada.

Where total BLM fire costs in Nevada appear to range between \$212 and \$264 per acre, Table 10 suggests that fire suppression costs of the State of Nevada ranged between \$30 and \$80 per acre during the period 1990 through 1994. The average size of fires responded to by the State of Nevada ranged from 2 to 111 and averaged approximately 32 acres over the four-year period. During the period of 1990 through 1993, fires on BLM managed land averaged 78 acres in size (see Table 9).

Table 10  
State of Nevada  
Wildland Fire Suppression Costs On Clarke-McNary  
Fire Protection Districts

| Year | No. Fires | No. Acres Burned | Suppression Cost | Cost Per Acre Burned | Acres Per Fire | Cost Per Fire |
|------|-----------|------------------|------------------|----------------------|----------------|---------------|
| 1990 | 417       | 15,916           | \$ 762,200       | \$ 47.89             | 38             | \$1,828       |
| 1991 | 431       | 12,089           | 602,306          | 49.82                | 28             | 1,397         |
| 1992 | 521       | 57,827           | 1 771,889        | 30.64                | 111            | 3,401         |
| 1993 | 1,321     | 2,411            | 196,566          | 81.52                | 2              | 149           |
| 1994 | 366       | 12,502           | 397,650          | 31.80                | 34             | 1,086         |

Source: State of Nevada, Division of Forestry, Annual Fire Statistics, 1994, March 1995

Table 14 indicates that the combined average fire suppression cost for the states of Arizona, Nevada, New Mexico, and Utah ranged between \$19.46 and \$36.29 per acre during the period of 1991 through 1994. Consideration of Tables 10 through 14 leads one to conclude that states are able to conduct wildland fire suppression activities at costs significantly below those of the federal government.

Table 11  
State of Utah  
Wildland/Interface Fire Suppression Costs

| Year | No. Fires | No. Acres Burned | Suppression Cost | Cost Per Acre Burned | Acres Per Fire | Cost Per Fire |
|------|-----------|------------------|------------------|----------------------|----------------|---------------|
| 1990 | 415       | 30,393           | \$2,547,483      | \$83.82              | 73             | \$6,139       |
| 1991 | 300       | 12,028           | 486,675          | 40.46                | 40             | 1,622         |
| 1992 | 499       | 40,025           | 1,343,886        | 33.38                | 80             | 2,693         |
| 1993 | 282       | 13,950           | 1,109,865        | 79.56                | 49             | 3,931         |
| 1994 | 703       | 166,419          | 6,274,498        | 37.70                | 237            | 8,925         |

Source: Utah Division of State Lands and Forestry, Wildland Fire Reports for calendar years 1990 - 1994.

Table 12  
State of Arizona  
Wildland Fire Suppression Costs

| Year | No. Fires | No. Acres Burned | Suppression Cost | Cost Per Acre Burned | Acres Per Fire | Cost Per Fire |
|------|-----------|------------------|------------------|----------------------|----------------|---------------|
| 1990 | 326       | 17,486           | \$1,538,526      | \$87.99              | 54             | \$4,719       |
| 1991 | 423       | 9,740            | 577,353          | 59.28                | 23             | 1,365         |
| 1992 | 459       | 16,058           | 784,798          | 48.87                | 35             | 1,710         |
| 1993 | 834       | 109,294          | 3,590,726        | 32.85                | 131            | 4,305         |
| 1994 | 774       | 40,153           | 2,735,450        | 68.13                | 52             | 3,534         |

Source: Arizona State Land Department, Division of Forestry, Memorandum: Scott E. Hunt to Mike Hart, Re: Information Request for Intertech, October 11, 1995

State of New Mexico  
Wildland Fire Suppression Costs

| Year | No. Fires | No. Acres Burned | Suppression Cost | Cost Per Acre Burned | Acres Per Fire | Cost Per Acre |
|------|-----------|------------------|------------------|----------------------|----------------|---------------|
| 1991 | 518       | 36,669           | \$ 893,132       | \$24.36              | 71             | \$1,724       |
| 1992 | 579       | 63,070           | 998,669          | 15.83                | 109            | 1,725         |
| 1993 | 1,209     | 192,699          | 1,299,421        | 6.74                 | 159            | 1,074         |
| 1994 | 1,213     | 245,757          | 2,167,768        | 8.82                 | 203            | 1,787         |
| 1995 | 894       | 129,456          | 2,096,389        | 16.19                | 145            | 2,345         |

Source: State of New Mexico, Forestry and Resources Division, unpublished table, "5 Year Fire History for New Mexico", provided by Frank Smith, State Fire Management Officer, November 27, 1995.

Under conditions of an assumed transfer of public land to state and/or county management, expectations of fire suppression costs for the approximate 48 million acres would be for significantly lower total expenditures than has been true for BLM. The foregoing analysis suggests that typical BLM fires are relatively small. The commonly held perception that fires on public lands are typically very large and therefore cost more to suppress may not be accurate. Depending upon location of state and/or county wildland fire suppression crews and equipment, local and state response to wildland fires on public lands may be quicker, thereby resulting in burned acreage on a scale similar to that experienced by current state fire suppression activities. Effective placement of trained state and local "quick" response fire personnel and equipment may serve to minimize the propensity for the periodic "campaign fire". Other states were found to have available at their disposal locally positioned manpower and equipment, including county staff and machinery.

Beyond enhanced placement and efficient use of manpower and equipment, avenues for reduction in fire suppression costs under conditions of assumed transfer of public land to the State of Nevada might also be possible through improvements in fire prevention and pre-



Table 14  
Four-State Average Wildland Fire Suppression Costs<sup>1</sup>

| Year | No. Fires | No. Acres Burned | Suppression Cost | Cost Per Acre Burned | Acres Per Fire | Cost Per Fire |
|------|-----------|------------------|------------------|----------------------|----------------|---------------|
| 1991 | 418       | 17,632           | \$ 639,867       | \$36.29              | 42             | \$1,531       |
| 1992 | 515       | 44,245           | 1,224,811        | 27.68                | 85             | 2,378         |
| 1993 | 912       | 79,589           | 1,549,145        | 19.46                | 87             | 1,699         |
| 1994 | 764       | 116,208          | 2,893,842        | 24.90                | 152            | 3,788         |

1/ Arizona, Nevada, New Mexico, Utah Source: Derived from Tables 10, 11, 12, and 13.

suppression activities. The 1987 session of Nevada's Legislature saw passage of Senate Bill 584 which directed the Nevada Association of Counties to conduct a study of the prevention and suppression of wildfires and the restoration of burned areas. In a December 1988 study for the Nevada Association of Counties (NACO), Resource Concepts, Inc. put forth several recommendations for reducing the risk and severity of wildland fires.<sup>6</sup> Selected examples of these recommendations follow:

1. Mandate local governments to adopt and enforce fire-safe development standards.
2. Develop and implement area-specific fuels management plans which consider all methods of hazard reduction including greenstripping, grazing, vegetation conversion, etc.
3. Develop site specific rehabilitation plans with special consideration for cheatgrass control and the use of greenstripping.
4. Evaluate the opportunity for utilizing private contract fire crews for wildfire suppression.

Opportunities may exist for cross-training personnel and more efficiently utilizing federal and/or state/local pre-suppression labor dollars to accomplish initiatives identified in the NACO report (ie. greenstripping, vegetation control, fire prevention education). Recall that BLM spent \$5.5 million on fire pre-suppression costs during fiscal year 1993. Maintaining fire crews in a standby mode may not be the most efficient use of labor and equipment.

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<sup>6</sup> Resource Concepts, Inc., Nevada Association of Counties Natural Resources Report: Wildfire Management, prepared for the Nevada Association of Counties, Carson City, Nevada, August 1988.