

LEGISLATIVE REVIEW OF ADOPTED REGULATIONS AS REQUIRED BY NRS 2338.066  
LCB FILE 167-18

1. A clear and concise explanation of the need for the adopted regulation.

SB512, Chapter 366, 79th Session required the State Land Registrar to establish certain fees by regulation for the use of state lands, revise provisions relating to the accounting and use of the proceeds of certain fees for the use of state lands, and provide other matters properly relating thereto.

Fees for the use and occupancy of public lands under navigable bodies of water were set in statute in 1993 and have not changed in 25 years. The adopted regulations enable the State Land Registrar to modify fees and make them current. They also move fees for the application for and use of state lands from statute (NRS 322) to regulation.

2. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.

From October 2017 to September 2018, the Nevada Division of State Lands (NDSL) solicited public comments through five public workshops and a public hearing held at the following times and locations:

- Laughlin Library, October 25th, 2017 at 4:00 pm
- Laughlin Library, October 25th, 2017 at 10:00 am
- Incline Village Library, November 29th, 2017 at 11:00 am
- Douglas County Library (Lake Tahoe Branch), November 29th, 2017 at 4:00 pm
- Incline Village Library, September 13th, 2018 at 12:30 pm
- Incline Village Library, September 21st, 2018 at 12:00 pm

Notices were posted on the NDSL website (<http://lands.nv.gov/>), the Legislative Counsel Bureau's site (<https://www.leg.state.nv.us/>), and the State of Nevada's Official site (<http://nv.gov/>). NDSL also sent notices by U.S. mail to all permittees, stakeholders, and state and regulatory agencies who were known to have an interest in the subject of the proposed fee increases. In addition, NDSL mailed notices for posting at libraries in all of Nevada's 17 counties and at the following locations:

Bryan State Office Building  
901 S. Stewart Street  
Carson City, Nevada 89701

Nevada State Library and Archives  
100 S. Stewart Street  
Carson City, Nevada 89701

Legislative Building  
401 South Carson Street  
Carson City, Nevada 89701

Tahoe Regional Planning Agency  
128 Market Street  
Stateline, Nevada 89449



Comments were solicited from affected businesses in the same manner as solicited from the public. Minutes of each public workshop and the public hearing capture the discussions held regarding the adopted regulation, and may be obtained as instructed in the response to question #2.

In addition, NDSL reached out to business owners potentially affected by the updated fee schedule for the use of state land beneath navigable waters, and held one-on-one meetings with them. One comment was received from a business owner who operates several businesses around Lake Tahoe. The owner understood the reasons behind updating the fee schedule, but felt that commercial and residential structures should be priced the same. The owner also stated that in order to have a successful business you must know what expenses to expect. The State Land Registrar incorporated this comment into regulation by stair stepping fee increases over a period of three years. The State Land Registrar also set the fees to take effect July 1, 2019, in order to provide an additional nine months for permittees to prepare for the first step of the fee increase.

6. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

The permanent regulation was adopted on September 21, 2018, and included changes in response to public comments received throughout the rulemaking process as well as during the public hearing.

7. The estimated economic effect of the adopted regulation on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include:

Adverse and beneficial effects:

NDSL recognizes there will be some economic effect to businesses and lakefront property owners who have piers, buoys and other structures that occupy public lands. The main reason for the effect is that the fee schedule had not been adjusted in twenty five years and so was under-valued. The State Land Registrar consulted with business owners, such as marina owners, concessionaires and consultants, about how the updated fee schedule might affect them. The outcome was that the impact would be minimal; owners have the capacity to adjust their operations to offset the proposed increase. The majority of users that would potentially be affected by the updated fee schedule operate or reside near Lake Tahoe. With the high demand of boat mooring rental space around the lake and waiting lists that expand one to two years out, the business owners felt that the proposed increase would not be significant enough to impact their businesses.

The private use of public land has an impact to the public; the adopted fee schedule begins to move toward adequate compensation to the public from the private occupancy and use of public lands primarily at Lake Tahoe and on the Colorado River in Southern Nevada. SB 512 mandates the additional funds collected from fees which exceed \$65,000 in any fiscal year be accounted for separately and used by the State Land Registrar to carry out programs to preserve, protect, restore and enhance the natural environment of the Lake Tahoe Basin. This additional funding will support existing programs that provide substantial public benefits as well as benefits to businesses and littoral property owners that rely on and benefit from Lake Tahoe.

Both immediate and long-term effects:

In the short-term, the adopted fee schedule will affect businesses and littoral property owners who own piers, buoys, and other structures occupying public lands. However, through incorporating suggestions heard during public comment, this effect will be lessened by setting the fees to take effect July 1, 2019, in order to provide an additional nine months for permittees to prepare for the first step of the fee increase. Also, the increase will be phased-in over a 3-year period so users can accommodate the new fee structure into their operating and maintenance budgets.

In the long term, the effect of the adopted fee schedule will be to improve the natural environment of the Lake Tahoe Basin. It is estimated that the fee schedule on the third year will create an additional \$425,950 in funding, which will be dedicated to projects that improve the Tahoe's air, land, and water quality. Over time, the additional funding generated to support existing environmental improvement programs will generate substantial public benefits.

8 The estimated cost to the agency for enforcement of the proposed regulation.

With the adopted regulation, NDSL does not expect to incur any additional enforcement costs. NDSL has agreements in place with partnering public agencies to assist with enforcement.

9 A description of and citation to any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the proposed regulation overlaps or duplicates a federal regulation, the notice must include the name of the regulating federal agency.

This regulation addresses the occupancy and use of sovereign lands under navigable waters and the fees that are associated with that use. The proposed regulation does not overlap or duplicate any regulation of other state, local or federal governmental agencies.

**10.** If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

Not applicable.

**11.** If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

NRS 322.100 grants the State Land Registrar the authority to charge a fee for the issuance of a permit and other land use and occupancy authorizations. NRS 322.120 established the fees for the use of sovereign land. SB 512, Chapter 366, 79th Session 2017, authorized the review and establishment of a new fee schedule, recognizing fees are undervalued and require modification. A fee schedule was established for the use of sovereign land in 1993, and had not been adjusted in 25 years. On September 21, 2018, the State Land Registrar adopted an updated fee schedule after extensive research, in-house market evaluation, public input and an independent appraisal.

The State Land Registrar will stair step the adopted fee schedule over a period of 3 years. SB 512 requires that funds collected in excess of \$65,000 in any fiscal year must be accounted for separately and used by the State Land Registrar to carry out programs to preserve, protect, restore and enhance the natural environment of the Lake Tahoe Basin. NDSL anticipates collecting \$425,950 during the third year of the fee increase. These funds will be used to carry out environmental improvement programs that will provide substantial benefits to businesses and the public that rely on and benefit from Lake Tahoe.

EXHIBIT „A”<sup>11</sup>

Name	Agency	Phone Number	Email address
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Public Workshop held on October 25, 2017 @ Laughlin Library, Laughlin Nevada (3 attendees)

Jim Maniaci	LEDC/LTAB	505-879-3142	<a href="mailto:jimmaniaci@centurylink.net">jimmaniaci@centurylink.net</a>
Brian Paulson	LTMO	702-298-0828	<a href="mailto:bkp@clarkcountynv.gov">bkp@clarkcountynv.gov</a>
Alex Knaak	Nevada State Parks	760-898-5638	<a href="mailto:alexknaak@gmail.com">alexknaak@gmail.com</a>

Public Workshop held on October 26, 2017 @ Laughlin Library, Laughlin Nevada (1 attendee)

Robert P. Bilbray	LEDC	702-398-3360	<a href="mailto:RPB@Bilbrayindustries.com">RPB@Bilbrayindustries.com</a>
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Public Workshop held on November 29, 2017, from 11am til 1pm @ Washoe County Library, Incline Village, NV (5 attendees)

Jeff Ostomel		775-846-8090	<a href="mailto:jostomel@sbcglobal.net">jostomel@sbcglobal.net</a>
Donald Mason		702-370-2650	<a href="mailto:dmasonjr@yahoo.com">dmasonjr@yahoo.com</a>
Robert Lober		775-843-7908	<a href="mailto:rlobert59@gmail.com">rlobert59@gmail.com</a>
Drew Briuer		775-843-3115	<a href="mailto:drew@infostations.com">drew@infostations.com</a>
Dale Denio		775-250-4283	<a href="mailto:tahoe4dale@yahoo.com">tahoe4dale@yahoo.com</a>

Public Workshop held on November 29, 2017 from 4 pm til 6 pm @ Douglas County Library, Zephyr Cove, NV (5 attendees)

James Nunnally		775-588-6102	<a href="mailto:mtnsea@aol.com">mtnsea@aol.com</a>
Bob Hassett		775-720-2943	<a href="mailto:wtrsQt@charter.net">wtrsQt@charter.net</a>
Mollie Hurt	Tahoe RCD	530-721-7495	<a href="mailto:mhurt@tahoercd.org">mhurt@tahoercd.org</a>
Gary Midkiff	Midkiff & Assoc	775-588-1090	<a href="mailto:gary@midkiffandassoc.com">gary@midkiffandassoc.com</a>
Cameron Mckay	KGID	775-588-3548	<a href="mailto:cam@kgid.org">cam@kgid.org</a>

Public Workshop held on September 26, 2018 from 12:30 pm til 2:00 @ Washoe County Library, Incline Village, NV (11 attendees)

Mike Lacey		775-298-7650	<a href="mailto:mlacey252@gmaii.com">mlacey252@gmaii.com</a>
Nyamsuren Uudus		775-298-7650	<a href="mailto:Unyamsuren@yahoo.com">Unyamsuren@yahoo.com</a>
Steven Kroll		775-831-6750	<a href="mailto:tahoelakefront@yahoo.com">tahoelakefront@yahoo.com</a>
Jan Brisco	TLOA	530-583-5253	<a href="mailto:jan@janbrisco.com">jan@janbrisco.com</a>
Pete DiGrazia	ZCPOA	775-750-6358	<a href="mailto:psdigrazial@alt.net">psdigrazial@alt.net</a>
Bob Hassett		775-720-2943	<a href="mailto:wtrspt@charter.net">wtrspt@charter.net</a>
Susan & Carlton Buckley			<a href="mailto:charltonbuckley@charter.net">charltonbuckley@charter.net</a>
Scott Jones		775-781-0757	<a href="mailto:stonehself@charter.net">stonehself@charter.net</a>
Stu Yount		775-843-0486	<a href="mailto:syount@gaviotacapital.com">syount@gaviotacapital.com</a>
Geri Yount		775-742-1010	<a href="mailto:Geri@gaviotacapital.com">Geri@gaviotacapital.com</a>

**Public Hearing held on September 21, 2018, from 12 pm til 2:00 pm @ Washoe County Library, Incline Village, NV (13 attendees)**

Fred Jones		775-741-3686	<a href="mailto:hefWjones@charter.net">hefWjones@charter.net</a>
Mikie Hempler	ZCPOA	775-690-3089	<a href="mailto:mhempler@gmail.com">mhempler@gmail.com</a>
Chris Stone		530-550-9008	<a href="mailto:chrishstone@me.com">chrishstone@me.com</a>
Steven Kroll		775-410-9715	<a href="mailto:tahoelakefront@mac.com">tahoelakefront@mac.com</a>
JoAnn Kittrell		775-684-2714	<a href="mailto:jkittrell@dcnr.nv.gov">jkittrell@dcnr.nv.gov</a>
Jan Brisco	TLOA	530-583-5253	<a href="mailto:jan@janbrisco.com">jan@janbrisco.com</a>
Josh Morrow		916-233-7303	<a href="mailto:josh@greenfrontmorage.com">josh@greenfrontmorage.com</a>
Barbara Jones		775-427-4050	
Geri Yount		775-742-1010	<a href="mailto:Geri@Gaviotacapital.com">Geri@Gaviotacapital.com</a>
Stu Yount		775-843-0486	<a href="mailto:Syount@gaviotacapital.com">Syount@gaviotacapital.com</a>
Jeanette Morrow		775-427-4752	<a href="mailto:geojeanmorrow@gmail.com">geojeanmorrow@gmail.com</a>
Todd Lowe	TLOA	775-831-7768	<a href="mailto:todd@loweharbor.com">todd@loweharbor.com</a>
Nyamsuren Uudus		702-596-2137	<a href="mailto:mongolianinterpreter@gmail.com">mongolianinterpreter@gmail.com</a>