

**MINUTES OF THE MEETING
OF THE
LEGISLATIVE COMMITTEE ON PUBLIC LANDS**

(Nevada Revised Statutes 218.5363)

June 8, 1998

Ely, Nevada

The seventh meeting of the Nevada Legislature's Committee on Public Lands (*Nevada Revised Statutes* [NRS] 218.5363) during the 1997-1998 interim was held on Monday, June 8, 1998, at the Bristlecone Convention Center, 150 Sixth Street, Ely, Nevada. Pages 2 and 3 contain the "Meeting Notice and Agenda" for this meeting.

COMMITTEE MEMBERS PRESENT IN ELY:

Senator Dean A. Rhoads, Chairman

Assemblyman John W. Marvel, Vice Chairman

Senator Lawrence E. Jacobsen

Senator Dina Titus

Assemblyman P. M. Roy Neighbors

COMMITTEE MEMBER PRESENT IN LAS VEGAS (via telephone conference call):

Assemblywoman Genie Ohrenschall

COMMITTEE MEMBER ABSENT:

R. Llee Chapman, Elko County Commissioner

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Michael J. Stewart, Senior Research Analyst

J. Randall Stephenson, Senior Deputy Legislative Counsel

Ann Iverson, Deputy Legislative Counsel

Linda Chandler Law, Senior Research Secretary

All place names mentioned in these minutes are in Nevada unless otherwise noted.

MEETING NOTICE AND AGENDA

Name of Organization: Nevada's Legislative Committee on Public Lands

(Nevada Revised Statutes 218.5363)

Date and Time of Meeting: Monday, June 8, 1998

10 a.m.

Place of Meeting: Bristlecone Convention Center

150 Sixth Street

Ely, Nevada

A G E N D A

I. Opening Remarks and Introductions by Chairman

Senator Dean A. Rhoads

*II. Approval of the Minutes of the Meeting Held on April 28 and 29, 1998, in Washington, D.C.

*III. Reports to the Committee

*A. Update on Public Lands Issues in Eureka County

Peter J. Goicoechea, Chairman, Eureka County Board of Commissioners

John Balliette, Central Nevada Resources

*B. Update on Public Lands Issues in Lincoln County

Rey Flake, Member, Lincoln County Board of Commissioners

Shelley Wadsworth, Secretary, Lincoln County Public Lands Commission

*C. Update on Public Lands Issues in White Pine County

Brent Eldridge, Member, White Pine County Board of Commissioners

*D. Wild Horses and Burros

Gracian Uhalde, Member, Commission for the Preservation of Wild Horses

Representative, United States Department of the Interior, Bureau of Land Management (BLM)

Peter J. Goicoechea, Chairman, Eureka County Board of Commissioners

*E. Overview and Update on the Net Proceeds of Minerals in Nevada

Dino DiCianno, Deputy Executive Director, Nevada's Department of Taxation

*F. Update of Public/Private Land Exchange Policy and Overview of Land Exchange Issues Affecting Nevada

Ken Stowers, Realty Specialist, BLM

Michelle Gamble, Program Assistant, Nevada Association of Counties

Richard B. Holmes, Director, Clark County Department of Comprehensive

Planning

John Balliette, Central Nevada Resources

*G. Noxious Weed Abatement Efforts in Nevada

Robert E. Wilson, Extension Educator, University of Nevada, Reno,
University and Community College System of Nevada

Gene Kolkman, Ely District Manager, BLM

*H. Update on the Elk Management Plan and Related Issues in Eastern Nevada

Gregg H. Tanner, Game Management Bureau Chief, Division of Wildlife,
State Department of Conservation and Natural Resources

Hank Vogler, Elk Technical Review Team, White Pine County

*I. Update on the Placement of the Great Basin Heritage Center

Virginia Terry, Great Basin Heritage Center

IV. Public Comment

*V. Work Session on Preceding Agenda Items

*Denotes items on which the committee may take action.

Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Research Division of the Legislative Counsel Bureau, in writing, at the Legislative Building, 401 South Carson Street, Carson City, Nevada 89701-4747, or call Linda Chandler Law, at 702/684-6825, as soon as possible.

Notice of this meeting was posted in the following Carson City, Nevada, locations: Blasdel Building, 209 East Musser Street; Capitol Press Corps, Basement, Capitol Building; Carson City Courthouse, 198 North Carson Street; Legislative Building, Room 1214, 401 South Carson Street; Nevada State Library, 100 Stewart Street. **Notice of this meeting was faxed for posting to the following Las Vegas, Nevada, locations:** Grant Sawyer State Office Building, 555 East Washington Avenue; and the Clark County Office, 500 South Grand Central Parkway. **Notice of this meeting was faxed for posting at the following Ely, Nevada, location:** Bristlecone Convention Center, 150 Sixth Street.

OPENING REMARKS BY CHAIRMAN AND INTRODUCTIONS

Chairman Rhoads:

- Called the meeting to order at 10:05 a.m.;
- Said Elko County Commissioner Llee Chapman was absent for family medical reasons and Assemblywoman Genie Ohrenschall would participate through a telephone link from Room 4414 of the Grant Sawyer State Office Building in Las Vegas;
- Asked the members and staff present to introduce themselves;
- Explained that, during the interim, the committee visits rural communities to receive updated information on public lands issues facing residents and to encourage cooperation among the federal and state land agencies and those who use the public lands for business and recreation; and
- Noted that some agenda items would be taken out of order to accommodate witnesses' schedules.

APPROVAL OF THE MINUTES OF THE MEETING HELD ON

APRIL 28 AND 29, 1998, IN WASHINGTON, D.C.

Chairman Rhoads postponed action on this item.

PUBLIC COMMENT

A discussion of the deployment of communication and electronic warfare (EW) sites and the status of military land withdrawals in Churchill County was tentatively scheduled for hearing at the committee's September 1998 meeting in Tonopah. However, since a request was made in May 1998 to discuss this topic at this meeting, Chairman Rhoads called for public testimony at this time. He noted that, following testimony from various organizations and state agencies in 1996, the committee previously took a position opposed to an increase in the number of EW sites.

Ray Alcorn

Ray Alcorn (Captain, United States Navy, Retired), former commanding officer of Naval Air Station (NAS) Fallon, representing the 600-member Northern Nevada Councils of the Navy League of the United States and the Sierra Nevada Chapter of the Association of Naval Aviation, explained (see Exhibit A for his written testimony):

- The Navy's request of the U.S. Department of the Interior to further consider an increase in the number of EW sites on the Fallon training range;
- The relationship between areas of land and areas of airspace used for military purposes;
- How public lands, which are controlled by a particular federal agency, differ from withdrawn lands, which are lands that have been moved for a specific purpose from the control of one government agency to another through an act of the U.S. Congress;
- How Military Operating Areas (MOAs) are defined, how they affect civilian aviation, and how flights in restricted areas are controlled;
- That every air crew in the Navy is involved in a three-week training program at the Fallon NAS, which is the only air training facility of its kind in the nation. Each year eight or nine air wings, which include 75 to 80 aircraft and approximately 2,500 people, and other squadrons are trained at that facility, in addition to four or five "Top Gun" classes.

Mr. Alcorn displayed several maps to illustrate his testimony (those maps, however, were not submitted for the record due to their oversize format), and he described:

- The location of the Fallon MOA, which covers approximately 100 miles by 100 miles;
- The location of the four restricted areas, which can only be utilized by military — or private aircraft with special permission from the controller at Fallon — and include about 110,000 acres (overlying the four target areas); and
- The congressional action, which established the 110,000-acre Fallon training area in 1953, was based on requirements appropriate to World War II vintage aircraft.

Mr. Alcorn compared NAS Fallon statistics on air and land use with those of the Nellis Air Force Base in southern Nevada. He noted that, while Navy airspace (10,200 square miles) represents 80 percent of Nellis's airspace (12,500 square miles):

- Only 3 percent of the land (110,000 acres) under the Fallon airspace is controlled by the Navy;
- About 50 percent of the land (3.1 million acres) underneath Nellis airspace is controlled by the Air Force; and
- Although a direct correlation cannot be made because of the land reserved for testing and evaluation at Nellis,

the contrast is still obvious.

He explained that:

- The purpose of NAS Fallon is to provide naval air crews with the best possible preparation for combat by exposing them to an array of simulated enemy ground facilities and aerial warfare scenarios.
- Electronic warfare sites are located primarily in Dixie Valley and, while they work well, they do not sufficiently simulate potential enemy target approach areas.
- Providing four additional EW sites outside Dixie Valley would allow aircrews to be exposed to more realistic battle scenarios.
- These sites would require the use of an additional 63 acres, to which access roads already exist in some instances, and each would emit about the same amount of electromagnetic energy as is given off by a cellular phone.
- The U.S. Department of the Interior's Bureau of Land Management (BLM) Communications Site Plan Amendment, however, if adopted, will prohibit NAS Fallon from establishing any new EW sites outside Dixie Valley, thereby curtailing its ability to provide realistic training scenarios.

Mr. Alcorn conceded that the addition of new EW sites will have an impact on public lands, but providing necessary training to air crews prior to combat should not be compromised. Going unprepared into "harm's way" in supersonic jets has "devastating results." He asked the committee to reconsider its position on the placement of additional EW sites on the Fallon range.

Senator Jacobsen commented that Nevadans should support NAS Fallon in its pursuit of military preparedness and recognize the personal sacrifices made for national security by Navy and other military personnel who may be required to respond to combat orders at any time without warning.

Proceeding to a second issue, Mr. Alcorn discussed the Navy's proposed withdrawal of public lands for range safety and training purposes. The proposal, drafted in 1982 as the Master Land Withdrawal, resulted in a final environmental impact statement (EIS) issued May 15, 1998. The initial comment period was 30 days; however, the state of Nevada requested the comment period be extended to 60 days. Following that review period, a record of decision will be drafted and forwarded through the military chain of command to Congress for its decision.

The Navy has recommended a withdrawal of 127,000 acres, all of which surrounds existing target areas. Of that, 40,000 acres will be closed to the public to provide a safety buffer around targets and to accommodate additional training requirements, i.e., combat search and rescue scenarios. The balance of the withdrawn public land (approximately 87,000 acres) would be transferred to Navy control but, for the most, part would remain available for multiple use activities.

Existing target areas were withdrawn for use by NAS Fallon in 1953. Subsequently, in 1963 and 1965, the Navy relinquished control of ranges on public lands in the Black Rock and Sahwave Ranges in northern Nevada, which it no longer deemed necessary for training missions.

Mr. Alcorn concluded that the Navy has demonstrated good faith by requesting only the lands needed for updated operations and safety and relinquishing to the public domain nearly one million acres. He urged the committee to support this withdrawal.

Answering questions from the committee members, Mr. Alcorn said, to his knowledge:

- This withdrawal, if approved, would be based on congressional action, would transfer lands from the control of the BLM to the Navy on a 15- to 25-year lease/renewal basis.
- There are ongoing ranching and grazing activities adjacent to the area proposed for withdrawal, but there are no mining activities anticipated in the restricted area.

- Congress will set forth public access conditions on the 87,000 acres that are not restricted, probably in accordance with the Navy's record of decision.
- The addition of EW sites and the land withdrawal for range safety and training are two distinct and separate issues.

John Balliette

John Balliette, Central Nevada Resources, a natural resource manager under contract to Eureka County, commented that:

- The increase of the airspace associated with the Duckwater, Diamond, and Smoky Valley MOAs is of concern to Eureka County because it could potentially reduce the \$65,000 in annual tax revenue the county currently collects from commercial airlines.
- Historically, the Navy has demonstrated a piecemeal approach to compliance with the provisions of various federal legislation, i.e., the National Environmental Policy Act (NEPA) and the Migratory Bird Treaty Act, and has indicated, on occasion, that "the Navy does not have to comply" with those measures.
- Local governments and other interested groups, which must abide by the provisions of congressional acts, would be interested to know where the EW sites will be located and how the Navy plans to address federal regulations related to EW sites and other military activities. Such disclosure would allow the assessment of cumulative impacts on the environment; however, those details have not been released.
- One possible option might be to allow the BLM the ability to issue permits to the Navy for military maneuvers on or over the lands in question.

Mr. Alcorn interjected that:

- The BLM has no authority to or experience in controlling airspace, nor does the BLM communication sites plan directly affect airspace.
- Any possible increase in airspace for NAS Fallon is completely separate from the issues he discussed previously, i.e., EW sites and the land withdrawal.
- New microwave sites, which telephone and other companies would use, were included in the BLM communication sites plan. In the final plan, a number of preferred sites were identified outside Dixie Valley; however, none were military EW sites, which the plan prohibited.

Rey Flake

Rey Flake, member Lincoln County Board of Commissioners, noted that, having toured some areas that have been withdrawn for military use, the management of the resource might be improved through an increase in the level of cooperation on the part of various agencies.

Chairman Rhoads closed public testimony at this time to receive reports to the committee.

REPORTS TO THE COMMITTEE

UPDATE ON PUBLIC LANDS ISSUES IN EUREKA COUNTY

Peter J. Goicoechea

Peter J. Goicoechea, Chairman, Eureka County Board of Commissioners, explained that the recent abundance of rain

and runoff from the snow pack has eased some of the conflict that has existed between agencies, especially as related to grazing issues.

Mr. Goicoechea noted that:

- Grazing and riparian areas are lush this year, and the range could support more grazing, but that condition is unlikely to continue.
- If federal management agencies were to monitor range conditions now, it would be difficult to make a case to continue the low numbers of animal unit months (AUMs) that have been set.
- Eureka County (along with Lander and Nye Counties) has cooperating agency status with the U.S. Forest Service (USFS) and the BLM on the Monitor Hot Creek Amendment process, and it is also working on the Humboldt-Toiyabe forest plan revision for which no cooperating agency status has been granted.
- At recent meetings, it appeared that a lack of coordination exists between representatives of state and county agencies and others, even though Don Henderson, Division of Agriculture, Department of Business and Industry, has done a "good job in bringing them all together."

To ensure all Nevadans are represented in these discussion and that everyone stays on "the same page," Mr. Goicoechea suggested the use of a "state clearinghouse" to provide improved coordination between agencies.

Mr. Balliette noted that no Congressional funding for the Humboldt-Toiyabe forest plan revision will be appropriated until the new fiscal year begins in October 1998. Therefore, the amendment process cannot continue until that time. Mr. Goicoechea said that work has been done on establishing a mission statement, and the next identification team meetings with the USFS will include: (1) discussions on wild and scenic rivers (in Carson City), (2) grazing (in Elko), and (3) roadless areas (at a site to be determined later). Senator Rhoads questioned how these activities can proceed without funding. Mr. Balliette said he did not know.

Mr. Goicoechea suggested that the Legislature encourage the development of a "unified voice" with which federal agencies could be approached on public land issues in the state. Chairman Rhoads suggested that the committee send a letter to those state agencies that should seek cooperative agency status in the USFS Humboldt-Toiyabe forest plan revision process.

Mr. Goicoechea and Mr. Balliette also briefly discussed the following:

- The wild horse count in the Antelope Valley area;
- How the counties have cooperated with the Nevada Association of Counties (NACO), which has been involved in land exchanges, to gain some means of vetoing exchanges that adversely affect rural counties;
- How land exchanges tend to erode the tax bases of counties;
- The need to convert payment in lieu of tax (PILT) payments from being based on county population and county class (counties with a population over 50,000 people are described as "Class A" and those with populations under that figure are "Class B") to a "true property tax" type of tax, which might result in Eureka County receiving ten times the revenue;
- The maximum PILT payment for Class A counties, which is \$1 million;
- How compliance with federal regulations, in view of the budgetary constraints caused by insufficient PILT payments, is seen by the counties as unfunded federal mandates;

Assemblyman Marvel interjected that if PILT payments could be increased, it would reduce the need for the state to supplement, from the State General Fund, the Distributive School Account guarantee for some counties.

Mr. Balliette noted that:

- Last fiscal year, Eureka County received \$73,000 in PILT revenue (which, of the 10-cent per acre rate set for PILT, represented only a 57 percent level of appropriation by Congress, or 5.7 cents per acre) for federally controlled lands within that county; and
- The county depends primarily on the ad valorem tax for its tax revenues.

Mr. Balliet continued that it has been difficult to accurately monitor key areas (which are the sample grazing areas established in 1978) to collect grazing statistics because, as counties have developed and changed over time, the areas have not been modified to reflect current conditions. In his opinion, a lack of scientific information exists, and decisions about range use and health can be skewed and subjective, thereby compromising range use plan updates. That situation has been discussed with Mr. Henderson.

Mr. Goicoechea added that, based on range use decisions over the past two decades, livestock inventories in Eureka County have been reduced from 43,000 to 11,000 head, which has severely curtailed ranching and tax revenues.

UPDATE ON PUBLIC LANDS ISSUES IN LINCOLN COUNTY

Rey Flake

Rey Flake, member of the Lincoln County Board of Commissioners, speaking from prepared remarks (see Exhibit B), said that it is important to maintain local customs and the quality of life in rural Nevada.

He discussed the following Lincoln County issues:

- Water: The county is moving forward with its water plan, and in conjunction with Nye and White Pine Counties anticipates a meeting with the Las Vegas Valley Water District on July 15, 1998, to discuss pending Clark County water applications that affect those rural counties.
- Land exchange: Cooperation has been received, from the Ely District BLM manager and others, on land exchanges that could affect the tax base; and the Rural Lands Initiative, a cooperative agreement with Douglas County that will bring approximately 15,000 acres of public land into private ownership in Lincoln County, is underway.
- Desert tortoise: The Lincoln County Public Lands Commission (LCPLC) has reviewed a draft of the "Caliente Management Framework Plan Amendment" and the EIS, and the county intends to challenge the listing of the desert tortoise as a threatened species. At the same time, however, the county is developing a habitat conservation plan to allow residents and the local governments to plan development in anticipation of the potential constraints that would be imposed by that listing.
- Wild horses and burros: The county supports the proactive stance that Nevada's Commission for the Preservation of Wild Horses has taken and its involvement of counties in the formulation of a state plan for wild horses. The plan should consider the scarcity of appropriate habitat, be resource driven, and not allow wild horse populations to be adjusted upward due to the current abundant water situation. The plan should not depend on the adoption of wild horses alone to reduce those populations.
- Elk: An Elk Technical Review Team (TRT) is meeting regularly to discuss elk depredation problems, both on private and public lands in the county; however, the Legislature needs to encourage representatives of the Nevada Division of Wildlife (NDOW), State Department of Conservation and Natural Resources (SDCNR), to work more closely with rural communities to address this situation.
- Pinion juniper: A plan to harvest pinion (also pinon, piñon, or pinyon) juniper for beneficial use has been received from Resource Concepts, Inc., which has studied the feasibility of using the resource for fueling a power plant and making lumber products. Harvest and regrowth sustainability is structured into the plan that will encourage biodiversity.
- Income from PILT: The county is concerned about the lack of money generated by PILT, the appropriation for

which has routinely fallen short of the PILT evaluation rate. He suggested that any shortfall could be offset by the deeding of public lands to the county for sale to private parties. Eureka County received \$181,000 in PILT funds during the last fiscal year.

In conclusion, Mr. Flake said Lincoln County residents are concerned about the erosion of AUMs on public lands and are encouraging economic development that will provide financial stability in the area.

Shelley Wadsworth

Shelley Wadsworth, secretary, LCPLC, provided members with copies of the recently adopted "Lincoln County Public Land Management and Use Plan," with supporting documents, ordinances, and statistical information. See Exhibit C. This plan sets forth the county's policy on the various private and public lands issues, can be amended over time, and has been incorporated into the county's master plan for all planning purposes.

Ms. Wadsworth noted that Exhibit C includes:

- A proposed resolution that would support land in lieu of PILT payments;
- A proposed resolution for a sustainable demonstration harvest and reseeded project for pinion juniper woodlands in the county; and
- A memorandum relating to the U.S. Fish and Wildlife Service (USFWS) Recovery Plan for the Aquatic and Riparian Species of Pahrangat Valley, which discusses: (1) the inclusion of the Round tail chub as an endangered specie, (2) that 98 percent of chub habitat is on private property; and (3) how classification may adversely affect private property and water rights. When public hearings were held on the recovery plan, Lincoln County submitted its comments. The county has not been advised of the contents of the final recovery plan for the chub; therefore, extent to which the provisions of the final recovery plan will affect current landowners and their activities is not yet known.

Mr. Flake noted that, at one point, the county was told it had made no comments because, apparently, the USFWS did not "like" the comments submitted.

Ms. Wadsworth explained that:

- The plan proposes to create a river in Pahrangat Valley where one never existed;
- The county argued, in its comments, that habitat and ecosystems are limited, and populations are already constrained by those factors;
- The range of the Willow flycatcher encompasses Canada to Venezuela and Los Angeles to New York; therefore, its classification, as either threatened or endangered specie, has a potentially greater impact on the county than does either the chub or the desert tortoise's classification as threatened or endangered species. She provided that cautionary observation as a member of the Willow Flycatcher Recovery Implementation Team (RIT); and
- A suggestion was made at an RIT meeting, by a representative of NDOW, to remove all cattle from the public lands (Chairman Rhoads asked for a copy of the minutes of that meeting).

She continued and said that, with almost 98 percent of Lincoln County's area being controlled by agencies of the Federal Government:

- The county is concerned about cumulative constraints on human habitation and activities of the criteria related to various threatened and endangered species as well as the three million acres of wilderness study areas (WSAs) in the region.
- The LCPLC would like to see one acre converted to private use for every acre classified as wilderness area.
- Various agencies, especially NDOW, need to be accountable for elk depredation.

- The "Keystone Group" is the consulting arm of the Nature Conservancy. Its "advisory" development plan referred to as the "Keystone Report" for the Nellis Air Force Base range has been finalized; however (1) because its language is so broad, it could potentially prevent all public use activities on affected public lands; (2) since it is advisory in nature, no comment period was required; and (3) if an interested party expressed disagreement with the proposed provisions of the report, their name was simply removed from the mailing list.
- The "unique ecoregion" described in the Keystone Report and the conditions proposed for its management may, when the Nellis Range renewal is approved, be applied to all land affected by Nellis Air Force Base, thereby largely avoiding the NEPA requirement for public comment.

The N4 Grazing Board has conducted a study that should be published by September 1998. That report will illustrate the impact of lost public-land AUMs throughout the counties, which are estimated to be worth about \$2 million. Obtaining bank loans has become difficult for ranchers due to this asset erosion.

In conclusion, Ms. Wadsworth noted:

- Congressional staff members will be visiting Nevada's counties later in June 1998.
- Mr. Henderson has been a helpful resource to the county.
- It is anticipated that Terry Randolph will also provide valuable assistance.

Chairman Rhoads noted that during the committee's recent meetings in Washington, D.C., congressional members were receptive to the concept of local communities identifying federally controlled land areas for potential conversion to public uses and some forms of development.

Ms. Wadsworth submitted a copy of the Ely Field Office of BLM's draft report on the "Caliente Management Framework Plan Amendment and Environmental Impact Statement of Desert Tortoise Habitat," dated April 1998. See Exhibit D.

Assemblyman Neighbors noted that it is probable that WSA lands are not likely to be released soon due to political pressure being exerted by the conservation and environmental lobbies. Ms. Wadsworth added that Lincoln County is in the process of identifying "real wilderness" that it will not contest being designated as such. She also explained that, through the coordinated resource management group, the county has discussed the use of inmates in wild land fire suppression and seed bank projects.

UPDATE ON PUBLIC LANDS ISSUES IN WHITE PINE COUNTY

Brent Eldridge

Brent Eldridge, member of the White Pine County Board of Commissioners, agreed with many of the comments made by the representatives of Lincoln County regarding:

- The benefits of developing a program to utilize piñon juniper resources;
- The need to control the numbers of wild horses allowed on the open range; and
- The efforts of the Ely District BLM to drive its actions and studies with resource-based information, which has led to a more cooperative and helpful operation.

He further explained that:

- Lincoln, Nye, and White Pine Counties entered into an informal agreement some years ago to meet quarterly to discuss public land issues with the federal land management agencies. From those meetings has grown a good working relationship among those entities, especially with the BLM Ely District office, that has resulted in

many mining, ranching, and other conflicts being worked out in an acceptable manner.

- The inadequate funding of PILT obligations has been a problem for all rural counties, White Pine County being no exception. Unfunded mandates that come from federal or state directives present special difficulties for and cause significant impacts on counties that suffer from low tax revenues and decreasing tax bases. A list of those mandates, by county department affected, is being compiled at this time and will be forwarded to the committee.
- Although no statutory water right can be held in Nevada for riparian use, water rights in this state have been adversely affected by some government land managers who have made decisions and determinations on public lands use based on protecting riparian habitat and "rights." The state should try to clarify or moderate this situation. Prior appropriation is the basic doctrine for holding water rights in Nevada and deviating from that may put the use of private and public lands in jeopardy.

(Chairman Rhoads requested committee legal counsel to investigate the need to protect the state's interests as affected by riparian claims on water rights in Nevada.)

- Coordinated resource management planning has been an effective tool in developing good plans for managing lands in White Pine County. It has also helped to avoid many of the conflicts that might otherwise have become problematic.
- A riparian coalition has been formed to outline riparian management strategies for the local area based on scientific information and investigation rather than "personal values."
- Resource Natural Area proposals, being advocated by the USFS for the ostensible purpose of study, pose an additional challenge to citizens in rural counties. These areas, could preclude public, casual-use access to the highest reaches of mountain ranges. In his view, this is a "dangerous designation" and is unnecessary. White Pine County has asked the Division of State Lands, SDCNR to assess the potential impacts of this program.
- White Pine County opposes land exchanges unless the county that will potentially lose tax revenue is in favor of the exchange, as in the Douglas/Lincoln County exchange discussed previously.
- No road closures are identified in White Pine County at this time.
- Neither the BLM nor anyone else who cannot demonstrate beneficial use should be allowed to hold water rights in Nevada; and, in his opinion, for some beneficial uses, i.e., livestock and wild horses, a trustee should hold those rights.
- The county is involved in developing and updating its emergency preparedness plan (Senator Jacobsen suggested that the county should be aware of the construction battalion recently relocated to Fallon NAS, which is available to assist counties with some public project activities).

A brief discussion followed regarding the rights of property owners to dispose of land in whatever manner they care to compared with the need to involve the county affected in the exchange dialogue so that impacts can be mitigated in some circumstances.

Chairman Rhoads acknowledged the presence of Claude Ackerman from U.S. Representative Jim Gibbons's office; and Norman Frey, candidate for Assembly District 35.

WILD HORSES AND BURROS

Gracian Uhalde, member of the Commission for the Preservation of Wild Horses, thanked the committee for meeting in Ely. He noted that:

- Senate Bill 211 (Chapter 537, *Statutes of Nevada 1997*) gave the commission the opportunity to develop a plan for wild horses and burros, and a rough draft of the plan is anticipated the first week of July 1998.

- Those involved in structuring the plan have worked to make it realistic and viable, driven by the input of people who must contend with the impact of these animals on the range.
- Scoping meetings were held in Carson City, Caliente, Eureka, Las Vegas, Tonopah, Winnemucca, and elsewhere.
- Making the plan proactive and range-resource driven, rather than politically driven, with a good monitoring program, in his view, will ensure a quality program designed from "the bottom up."
- If the plan is accepted by the Legislature, its implementation will require broad support from Nevadans to ensure credibility and unity, so that federal agencies and representatives will understand the management plan is critical to the state.
- The following criteria have been central to the development of the plan: (1) humane treatment of the wild animals; (2) rangeland health; (3) the establishment of appropriate management levels (AMLs); (4) revision of the horse and burro adoption program, in which the BLM has had significant input; and (5) habitat health, including the improvement of conditions in areas such as Fish Creek, Ellison Ranch, and elsewhere.
- It appears that many participants have moved beyond the emotional response and are willing to view as a primary concern rangeland health, without which there is no habitat for the horses.
- Lincoln County suggested a sunset approach, in which unadoptable animals — that have posed the largest management problem in the past — are removed from the range.
- Also being investigated is: (1) a "window of sale" authority that would sunset itself upon arriving at the targeted AML; (2) a program for video adoptions or sales; and (3) a pilot project where permittees could work with the BLM to perform gathers to maintain AMLs.
- Two, week-long consensus building meetings were held in Carson City, and participants from across the state have been dedicated to finding solutions that will protect the resource and serve the needs of the wild horse and burro herds.

Mr. Uhalde said, in his view:

- Don Henderson is going to need a "Superman suit" to provide assistance to all the entities that will need "hands-on" help. If he becomes responsible for the monitoring program, that also will require a great deal of work.
- The evaluation of BLM's allotment process, in which AMLs are being established for livestock and wild horses, is inadequate since, if money is not available for gathers of wild horses, those animals are left on the range to the detriment of livestock permittees and the available resources. That process is far too one sided, and once an AML agreement is struck, the government management agencies should be funded by Congress to "do its part" to restrict wild horse and burro populations on Nevada's public lands.

Chairman Rhoads explained that he has been bothered by assertions made by Catherine Barcomb, administrator of the commission (apparently without board approval), which were incorrect or untrue, i.e., that there were regulatory restrictions against flying within 500 feet of horse herds during foaling season to search for predators. In his view, correspondence and public statements on policy and regulatory matters should be reviewed by the members of the commission to prevent erroneous information from being disseminated.

Peter Goicoechea noted that the commission has, for the most part, provided a forum for discussion of wild horse issues and is comprised of members who are working to establish consensus on difficult aspects of the "Nevada Wild Horse Plan." There are still conditions in the state that need to be addressed, i.e., resource damage caused by wild herds in some districts. Although Nevada is home to over one-half of the animals in the federal wild horse program, it receives less than 50 percent of overall funding and staff.

He noted that:

- Different criteria are applied to wild herds than to livestock herds. In Utah, for example, when wild horses were found to be infected with equine infectious anemia they were simply rounded up and moved to another location. If those animals had been part of a domestic herd, they "undoubtedly" would have been quarantined and probably disposed of.
- Without constraints of some kind, populations continue to increase above carrying capacities.
- The antelope AML in White Pine County is 233; however, the census number in 1997 was 799; in the Monte Cristo area, the AML is 236, while the census shows 626.
- Consideration must be given to whether or not there are manmade barriers to migration among herd management areas (HMAs). The wild horse AML for the East Sand Springs, Fish Creek, and Monte Cristo areas, for instance, is between 600 and 700 head, while the present population exceeds 1,300 head. Nothing keeps those horses from moving freely throughout that region.
- The state needs to provide assistance on land outside HMAs designated as horse-free. Those animals are, in his view, technically estray animals of the state and those that are unadoptable should be either sold or euthanized.
- Part of the wild horse plan should be to bring populations "back in line" to an acceptable number, i.e., no more than the number present on the range when the Wild Horse and Burro Act was passed.

Chairman Rhoads commented that a court decision issued subsequent to passage of the act precluded those numbers from being used. He also pointed out that if he managed his livestock herds in the manner the BLM manages the wild horse herds, selling off the sound animals and keeping those that are unfit or unsaleable, he would be unable to remain in business. Proper management tools should be utilized. By selling wild horses at low prices, the Federal Government and state are competing with ranchers who are raising horses for sale to the public.

Gene Kolkman

Gene Kolkman, District Manager for the Ely District, BLM, explained two aspects critical to his management job: (1) the establishment of a resource's total carrying capacity, which is key in determining the number of animals that can be allocated to any area; and (2) the constraints imposed by public sentiment — what the American people will tolerate as management techniques for wild animals, including horses, burros, deer, elk, and other large ungulates.

At this time, it is clear that euthanasia and authorization of sales are not acceptable to the public, as demonstrated by the treatment of the infected herd in Utah. The BLM is under an injunction not to destroy foals that could potentially contaminate other animals. See Exhibit E for information in support of Mr. Kolkman's testimony.

He provided the following general statistics:

- There are about 42,000 wild horses and burros in the ten western states;
- Approximately 23,000 of those are within the 99 HMAs that encompass 16 million acres in Nevada; and
- Burros also are present on 14 of those 99 locations;

The HMAs were delineated many years ago and, in many instances, the boundaries of those areas do not accurately describe the wild horses' activities or movements. Some HMAs are being managed as a "complex" to address important regional issues; however, that method is challenging.

Although the national AML for horses and burros is about 26,618, the population was estimated at approximately 43,037 animals in 1997 — almost twice the number desirable. Mr. Kolkman also noted that:

- Over the past five years, Nevada has gathered between 5,100 and 6,700 animals per year.
- It is anticipated that another 5,000 will be gathered in 1998.

- For small gathers of 50 to 100 head, costs run about \$350 to \$400 per animal.
- For gathers over 2,000 animals, that cost is reduced to between \$125 to \$130 per animal, exclusive of expenses related to the adoption program.
- Care and feeding in holding facilities runs about \$5 to \$7 per day per animal.
- Since the adoption program began in 1973, a total of 162,000 animals have been placed nationwide.
- The Palomino Valley adoption facility purchases about 4,000 tons of alfalfa and grass hay per year from farms near Fallon and Yerington.
- In the northern part of the Ely District, which includes portions or all of Lincoln, Nye, and White Pine Counties, AMLs and seasons of use have been established for horses, livestock, and other large ungulates (elk), and it is anticipated that within the next few years the numbers of animals on the land in that district will correspond with carrying capacities for the first time in almost 30 years.
- In areas where good grazing and management practices exist, the overall condition of the land is improving.

Mr. Kolkman explained that the level of cooperation and enthusiasm that has been achieved by all parties during his three-year tenure is encouraging. Other agencies have also been involved, focusing primarily on resource conditions and herd management. The identification of areas of common ground and reaching consensus on difficult issues has been a community effort.

As yet, there are no AMLs set for the desert area of southern Lincoln County. The 500 horses presently on that land, which is not suitable horse habitat, are continually at risk. A draft decision has been published, which is receiving support from the Wild Horse Commission, that will remove those animals from that location.

The biggest challenge is to reduce populations to, and maintain them at, acceptable levels. Animals can reproduce quickly and controlling the numbers, through the use of gathers, water trapping, and other techniques that minimize costs, will be the key to future management. In conclusion, he noted that the level of cooperation received from advocacy groups has varied widely; some are responsive to both animal and resource issues, others are only concerned with the welfare of the animals, regardless of the impact on the land or local economies.

Mr. Goicoechea noted that even as wild horse numbers are reduced to desirable levels, especially when tied to the adoption program, the herds replenish quickly — at a rate of 15 to 40 percent per year depending on forage and other factors. Therefore, herds can far exceed carrying capacities in two or three years. When gathers are done, the sick and less adoptable animals should not be left on the range since that reduces herd viability.

A brief discussion followed regarding:

- The high cost of removing unadoptable horses during gathers;
- Other frustrations caused by adoption program policies; and
- The need for Congress and the courts to establish viable management parameters.

Chairman Rhoads noted that controlling wild horse populations has been a highly emotional issue since the early 1970s, when 55 federal bills were drafted and introduced to protect the animals. Even in rural Nevada, people hold strongly to their divergent opinions; but, the numbers must be limited.

Mr. Neighbors asked Mr. Kolkman to ascertain whether a proposal has been made to withdraw about 1,000 acres along Highway 6 in northern Nye County for a wild horse viewing area. Mr. Uhalde said, in his opinion, the establishment of a viewing area might be beneficial, but the land should be purchased for the purpose, rather than being withdrawn. Chairman Rhoads added that most wild horses cannot be distinguished visually from domestic herds.

Mr. Kolkman said his vision for the wild horse herds in Nevada is that populations remain within established carrying

capacities to ensure healthy individuals and prevent harm to the land.

Mr. Goicoechea noted that domestic livestock has been voluntarily removed from rangeland to protect the environmental resources, and it is important to understand that that was not done to provide an opportunity to increase the number of wild animals allowed in those areas.

Senator Jacobsen voiced concern about the method by which carrying capacities for domestic and wild herds are established. In his view, it is time to include permittees, who have a thorough knowledge of the rangelands, in the ongoing land assessment process because of the economic impact such decisions have on them.

Mr. Kolkman explained that:

- The extent to which permittees are included in the process varies by locality, what the conditions are, and the relationship the industry has with BLM.
- In the Ely District, the carrying capacity is set, then a series of economic and social choices are made through discussions involving members of the community, including permittees, to adapt to local conditions.
- That process, in his view, is "all art and not a lot of science."

Mr. Goicoechea said the interaction between ranchers and the controlling agencies does vary. Agency decisions may be appealed by ranchers in some instances; while, under other circumstances, all parties agree to the action to be taken, e.g., in the establishment of interim AML levels. Senator Jacobsen noted the difficulty of effectively managing herds, which are naturally migratory in their habits, with predetermined local-area-based criteria.

OVERVIEW AND UPDATE ON THE NET PROCEEDS OF MINERALS IN NEVADA

Dino DiCianno

Dino DiCianno, Deputy Executive Director, Nevada's Department of Taxation, provided a document titled "Net Proceeds of Minerals in Nevada, Overview and Update," and explained the 1997 gross and net revenues from mining activities in the state and how those figures compare with previous years. He also submitted corrected copies of pages 6 and 7, which replace those same-numbered pages in the update. See Exhibits F and G, respectively.

Mr. DiCianno explained that:

- In 1997, actual gross proceeds were approximately \$2.9 billion, while actual net proceeds were about \$624.8 million — \$375 million less than net proceeds in 1994, resulting in a loss of \$18.75 million in tax revenues that were split between the state and county of origin.
- Revenues have decreased due to the drop in gold prices on the world market.
- There has been a move toward more underground mining facilities.
- All royalty recipients pay a maximum rate of 5 percent.
- The Department of Taxation is planning a workshop with the Nevada Mining Association (NMA) on June 24, 1998, to discuss existing regulations. Three specific issues will be covered: (1) the definition of an operational unit, including location and size; (2) employee expense reimbursement; and (3) any associated relocation costs and training.

Responding to questions from the committee, Mr. DiCianno said that:

- Any royalty tax established by the Federal Government would be allowed by Nevada as a deduction from net proceeds, which would reduce the revenue to this state and its counties.

- The imposition of a federal tax might inhibit the feasibility of mining activities in Nevada and elsewhere, according to mining industry representatives.
- The Department of Taxation only assesses taxes on Nevada extraction operations, and corporate expenses are not deductible nor are expenses associated with affiliated companies.

Referring to Exhibit F, Mr. DiCianno reviewed the net proceeds figures for Nye County, which generated approximately \$2.1 million in tax revenues to the county and almost \$1 million to the state.

He also explained that:

- The personal property, the mining equipment that is either owned or leased by a mining company, is taxed based on the original acquisition cost of the equipment depreciated over time to arrive at a taxable value, which is multiplied by 35 percent to arrive at the assessed value, which is then multiplied by the applicable rate in effect at the time of assessment.
- The net proceeds was established in 1864, the time the Constitutional Convention met in Nevada, and the method of calculating net proceeds has not changed since then except for subtle differences in the types of expenses associated with the calculation.
- In 1987, the Nevada Legislature passed a measure to increase the maximum tax rate to 5 percent, which was subsequently approved by the voters; however, the assessment process itself did not change.
- Subsequent legislative changes in 1989, 1993, and 1995 (which eliminated the estimated-tax process that had produced large credits for some companies) amended how the department administratively bills, collects, and distributes the revenues and how companies pay tax liabilities associated with net proceeds.
- Current tax collections from net proceeds (for 1997 operations) have declined by approximately 40 percent from 1994 levels.
- Receipts from the gaming industry and from sales tax have not increased as expected; instead of a 6 to 8 percent growth rate in sales tax collections for the biennium, figures now reflect only about 4 percent, and gaming has not met its targets. If those trends continue, it will result in "tight budgets" during the 1999 Legislative Session.
- The decline in net proceeds tax revenue is directly related to the volatility and poor performance of the precious metal market and increased expenses related to extraction.

Mr. DiCianno explained that it would be "very difficult" to change the provisions of the net proceeds tax to make it less volatile. In 1988, a Price Waterhouse study reviewed all taxes statewide and pointed out that the net proceeds tax, while volatile, does treat all taxpayers equitably and fairly throughout the industry. When categories of deductible mining expenses are changed or capped, there is a danger of putting a marginal operator at risk of financial failure. Of the 140 operators in the state, only 20 to 25 operators might be large enough to weather such changes; and business closures could significantly impact rural counties in various ways.

Assemblyman Neighbors noted that some counties have compromised their fiscal wellbeing by including net proceeds revenues as part of the county's general fund budget for operations, as opposed to segregating the money for specific purposes.

According to Mr. DiCianno:

- The Department of Taxation, at its upcoming July 1998 meeting with the Nevada Mining Association, will try to encourage the industry to provide quarterly reports so that more accurate information can be relayed to counties to assist in the budgeting process.
- Various tax allocations schemes, including line-miles of utility assets and population-based assessments, among others, have been reviewed by the department and studied by third-party analysts; and central versus local assessment has been discussed at length. However, no specific recommendations have resulted because, again,

if the method of allocation is changed, there will be winners and losers.

- The interim study, titled "Distribution Among Local Governments of Revenue from State and Local Taxes," enabled by Senate Bill 253 (Chapter 661, *Statutes of Nevada* 1997), is the most likely vehicle for making changes in the state's tax structure.

UPDATE OF PUBLIC/PRIVATE LAND EXCHANGE POLICY AND OVERVIEW OF LAND EXCHANGE ISSUES AFFECTING NEVADA

Michelle Gamble, Program Assistant, NACO, explained that land exchanges have been a "big issue" for the state's counties and is becoming even more so because of growth and the consequential need to find new sources of revenue. Land exchanges between the Federal Government and nonfederal entities are discretionary and voluntary real estate transactions. The association has evaluated exchanges from two major perspectives: (1) the process itself and (2) potential impacts on local communities and economies. Her written remarks are attached as Exhibit H.

Ms. Gamble, referring to an exhibit that was later submitted and discussed by Ken Stowers, Realty Specialist, BLM (See Exhibit J), stated that in NACO's view:

- The procedure is "a very detailed process" and is designed so that all interested and affected parties have the opportunity to comment on the land exchange.
- State and local governmental entities should have a higher standing in the process.
- Because counties and cities are responsible for land use planning in communities, they must deal with the ultimate effects of such exchanges and should be involved earlier. Exhibit J shows that county planning commissions are not included until late in the process, see page 7 of BLM's "Land Exchange Checklist."
- The state and local governments should be included from the pre-proposal phase so land use plans can be reviewed and other impacts on the communities can be assessed. Problems can be alleviated by allowing communities to be proactive rather than reactive.

Ms. Gamble explained that:

- Any time private lands are removed from a rural county's tax role and transferred for land in another county, there is an impact. Any amount of private land that is put under federal management in counties, especially those which already have a high proportion of public land, has a significant negative effect on the area's tax base. If Nevada changes its method of local versus central assessment of assets, rural counties stand to lose a substantial amount of tax revenue, which would compound budgetary problems.
- Data from a December 26, 1997, article in the *Elko Daily Free Press*, based on U.S. General Accounting Office data, reported that about 3.7 million acres of private land was transferred to public ownership between 1964 and 1993.
- A statewide policy on land exchanges should be investigated and developed to reduce overall impacts on local economies by protecting against net gains of public land, net losses of tax base, and so forth.
- The Division of State Lands has been unable to maintain its registry of federal and private land available for exchange in Nevada due to a lack of manpower. If that list was updated and maintained, counties could use it to approach the BLM and possibly lessen impacts on communities.
- Some, but not all, rural counties have been involved with the BLM districts and have entered into memoranda of understanding (MOUs) that have specific language dealing with exchanges, but the current process does not work consistently and smoothly in all communities.

- It is worthwhile to pursue the acquisition of federally managed land as compensatory payment of PILT revenue shortfalls.

Chairman Rhoads asked committee counsel to determine if The Nature Conservancy pays taxes on the land it holds.

John Balliette

John Balliette, Central Nevada Resources, representing Eureka County, noted that land trades are subject to the NEPA process, which typically requires analysis, documentation, public comment, and the issuance of a decision. Part of the Council on Environmental Quality (CEQ) regulations defines "cooperating agency" or "joint lead agency" standing for agencies that are involved throughout the entire management process. Eureka County has been denied such standing by the BLM on some multiple-use decisions because of a lack of statutory authority. To be recognized as a cooperating agency, pursuant to the CEQ regulations, an entity must have lawful jurisdiction or special expertise.

The county is drafting two bill draft requests (BDRs) for submission to the 1999 Legislature, which would affect Chapter 278 of *Nevada Revised Statutes* (NRS), "Planning and Zoning," and Chapter 321 of NRS, "Administration, Control and Sale of State Lands." He inquired whether the committee would consider reviewing those BDRs, which would give counties some authority to become actively involved in the federal land management and planning process.

Chairman Rhoads said the committee would consider those requests at its work session.

Richard B. Holmes

Richard B. Holmes, Director, Clark County Department of Comprehensive Planning, provided a slide presentation, titled "Las Vegas Valley Land Exchanges," copies of which are attached as Exhibit I.

Mr. Holmes described:

- The Howard Hughes land exchange near the Red Rock Recreational Area; and
- The current land exchange proposals supported by the Clark County Board of Commissioners, i.e., land holdings on the east side of the valley that include areas of steep topography, which would be difficult to develop, and private properties surrounding Nellis Air Force Base, which have come within critical distances of live ordnance operations because of growth.

His slide presentation included maps and statistics that discussed:

- Sites of federal land exchanges in the Las Vegas Valley from 1992 through 1998, along with disposal boundaries and cooperative management area boundaries in the valley.
- The dates and acreage involved in each exchange.
- The 25,900 acres, of the 49,470 total acres of BLM land available for disposal in the Las Vegas Valley, that could be developed after making allowances for: (1) 6,000 acres of public purpose set aside; (2) the elimination of 5,500 acres of land that has a 15 percent or greater slope; (3) 5,370 acres earmarked for airport uses; (4) and 6,700 acres that was set aside for five high-priority land exchanges.
- The five high-priority land exchanges involve Del Webb Corporation; Falcon Point; Lake Las Vegas; Perma-Built/American Land Conservation, Phase 2; and Volkmar.
- One low-priority land exchange involves Pinnacle Peaks, north of Blue Diamond Road and west of Decatur Boulevard.
- Las Vegas Valley land exchange issues include concern about: (1) development expectations; (2) the provision of public services for developed areas; (3) environmental impacts; and (4) the cumulative impacts.

According to Mr. Holmes, the Clark County responses to land exchange issues include: (1) the review of and

comments on exchange proposals; (2) the development of agreements with the project proponents and sponsors, which outline things such as the construction of infrastructure and the provision of fire protection facilities, equipment, and operation (in one instance, however, fire protection facilities are not required to be built until 1,600 homes have been constructed in the area); (3) improvement of coordination efforts with BLM in making application for recreation and public purposes (RP&P) designations; (4) addressing the high-noise area around the airport; (5) revising MOUs to make them more effective; and (6) updating the resource management plan for the county.

The county also supports the Southern Nevada Public Lands Management Act, HR 449 sponsored by Nevada's U.S. Representative John Ensign, which may help to smooth the previously cyclical relationship between the BLM and Clark County. The act encourages land sales, rather than exchanges; establishes a land disposal boundary that does not affect Clark County property outside the Las Vegas Valley or the balance of the state; provides for joint selection of lands to help coordinate the efforts of various affected political subdivisions and service providers (sometimes 15 to 20 separate groups); and establishes direction for the development of a method for the distribution of proceeds of land sales. The act would earmark 10 percent of the value of exchanges to inure to the LVVWA for the construction of water intake, filtration, and treatment systems and other facilities. Another 5 percent would flow to the state school fund. The remaining 85 percent of the proceeds would be managed by federal agencies. One key feature of the bill aims to retain funds generated by Nevada exchanges in this state.

Responding to a question from Chairman Rhoads, Mr. Holmes explained that a definition of "environmentally sensitive land" is not included in the bill. One approach would define that term as broadly as possible in federal statute, another would place the definition in regulation. Senator Rhoads noted that, in his view, using too broad a definition is dangerous because it could "destroy" rural Nevada.

Mr. Holmes explained that approximately 20 requests for land exchanges in southern Nevada were submitted for consideration but "turned away." Those are not included in Exhibit I. A brief discussion regarding pending and prospective exchanges followed.

In conclusion, Mr. Holmes noted that to perfect the "ring around the valley" concept initiated by Senator Titus, a cooperative effort on the part of the BLM, Clark County, and the local communities will be required.

Ken Stowers

Ken Stowers, Reno District Office, BLM, presented a flow chart titled "Land Exchange Process" together with a "Land Exchange Checklist" utilized by the BLM, which demonstrates the steps through which an exchange must proceed from inception to closure. See Exhibit J.

Mr. Stowers explained that:

- The 3.6-million-acre figure, referred to by Ms. Gamble, is unsubstantiated. Since 1982, BLM has disposed of two acres for every acre acquired. The BLM, in addition to land exchanges, has authority to dispose of land by way of: (1) the Federal Land Policy Management Act (FLPMA) and Santini-Burton Act land sales; (2) mining patents; and (3) the desert land entry and R&PP processes. He agreed to provide relevant statistics to the committee. See Exhibit K for those statistics.
- The PILT formula is based more directly on population in the small counties than it is on acres of federal land. Only three entities would benefit from increased PILT tax revenue if acreage was increased: Carson City and Douglas and Storey County. In Esmeralda County, for instance, if the population increased by 5,000, the PILT would increase "astronomically" even if the amount of federally controlled land remained constant.
- When a county has a small population, the formula for PILT is not dependent solely on number of acres held by the Federal Government.
- At one time, Las Vegas had 51 exchange proposals on file with BLM; however, as referenced earlier, many were sent back and new applications are not being accepted.
- Within the district's disposal boundary, there are approximately 27,000 acres of public lands remaining for which many uses are being considered.

- The Carson City BLM District is currently working on approximately 20 exchange proposals; Elko District, 10; Winnemucca District, 3 or 4; and Ely District has 3 or 4 proposals that, due to the Rural Lands Initiative, may result in large transfers of federal land into private ownership in Lincoln County subject to the purchase of development rights in Douglas County. The Battle Mountain District has no open proposals. See Exhibit K.
- In the past few years, there have been two basic types of land exchanges in Las Vegas, those that: (1) result in a large transfer between northern and southern Nevada; and (2) affect properties within the same BLM district, although the properties may be in different counties. Generally, the intradistrict exchanges have been less controversial.
- In rural areas, which have not been resurveyed since initial boundaries were marked decades ago, it is difficult to precisely identify privately held lands without a new survey, and that has caused some exchanges to fail. (Senator Rhoads noted that, during the committee's recent meetings in Washington, D.C., Assistant Secretary of the Interior, Robert Armstrong, indicated that satellite technology is used to identify corner points for properties. Mr. Stowers remarked that in Alaska, township markers are located in that manner; however, the irregular configuration of many parcels in Nevada makes that method impractical, and it is made even more complex because patented land has to be identified and "traced out." It becomes a very expensive undertaking, in some instances costing several hundred thousand dollars.)
- Washoe County has an open-space agreement with the BLM, which allows for land exchanges to acquire "checkerboard land" between Carson City and Reno for various public purposes.
- It is the desire of Robert V. Abbey, State Director of BLM, to encourage the northern districts to offer more land for sale, rather than exchange. That approach is more successful at some times than at others.
- The exchange process is "very straightforward" until complications arise. Referring to Exhibit J, he described the process from proposal to conclusion.
- The main point of contention is value. Some proponents of exchange may know what the potential sales price will be to a developer, so they want to value the offered land as high as possible and the public lands as low as possible so that profit is maximized.
- On average, the process takes two years and results in a cost of \$8 to \$10 per acre being added to the appraised per-acre value of the land.
- The Southern Nevada Public Lands Management Act should help address a common problem — out-of-date appraisals. Land values in the Las Vegas Valley can go up 100 percent in one year, depending on the neighborhood. The BLM has been criticized by the U.S. Inspector General for participating in "land giveaways" when the exchange was based on figures that were a year or two old, but that is the "nature of the beast" in a speculative market.
- If it were allowed by the regulations, a competitive auction would determine market value as of the date of the auction.
- Only one appraisal is required for each offered or selected property, unless the parcels are proximate to one another. However, some controversial exchanges require more than one appraisal; and, if those valuations are disparate, those multiple appraisals can make the process even more contentious.
- The attendant costs of cultural and environmental analyses can add more cost to the process and can stop the transfer if mitigation work is found to be in order.

In conclusion, Mr. Stowers explained there are so many scenarios possible in these exchanges, it is hard to anticipate what will likely occur.

Responding to questions from the committee, Mr. Stowers said:

- The common definition of "environmentally sensitive land" is whatever the local BLM district manager decides it is, and the decision to classify land as sensitive includes the consideration of inholdings within national units,

the presence or lack of water, watershed conditions, and so forth. It is easier to define what is not environmentally sensitive.

- Where a land use plan or a resource management plan identifies land for disposal, it is difficult to reclassify a part of that area as environmentally sensitive without amending the plan. Changing those plans is not a easy process, unless it is noncontroversial, which is rare. To amend the plan, scoping would have to be done, an environmental assessment or EIS would have to be written depending on the magnitude, the resources on the land would have to be analyzed, and public comment would have to be sought.
- Outside a land use plan, however, land slated for disposal can be disposed of by any means.
- Every district has a BLM land use plan with lands identified as either "for retention and management" or "suitable for disposal," and there are disposal areas around every town that is adjacent to public lands.

NOXIOUS WEED ABATEMENT EFFORTS IN NEVADA

Robert E. Wilson

Robert E. Wilson, Extension Educator with the University of Nevada, Reno (UNR) Cooperative Extension, University and Community College System of Nevada, reported on the threat of invasive plant species. See Exhibit L for his written remarks and Exhibit M for "Controlling Persistent Range and Pasture Weeds," compiled by the UNR Cooperative Extension and received previous to this meeting.

Mr. Wilson described the:

- Pervasiveness of the noxious plant threat;
- Statewide efforts to create weed abatement districts, some similar to or linked with mosquito abatement districts;
- Need to form formal districts if there is an intent to levy a tax for the abatement of weeds;
- Level of involvement of the BLM and Nevada's Department of Transportation, which have taken lead roles in species inventories across the region and in spraying affected areas;
- Utilization of honor camp labor in some areas of the state; and
- Issues that remain to be addressed, e.g., the need for (1) increased funding to further research efforts in the Great Basin, and (2) designation of a statewide noxious weed coordinator within the Division of Agriculture, Department of Business and Industry.

Gene Kolkman explained that the BLM is trying to work through the county agencies to focus on behaviors that can discourage the spread of weed seed across borders. Urban residents do not perceive weed problems the same way as do rural communities. By the time weeds are noticeable on grazing, ranch, and wild lands, severe environmental damage may have occurred. Productivity of private land is compromised and access to public lands can be hampered. In addition to spraying and other controls, education should be stressed through local units of government and schools. Nevada is in a good position to "get ahead" of the problem and prevent it from getting "out of hand." He noted that short white top, when suppressed by the right herbicides, can be controlled.

Chairman Rhoads noted that, currently, more cooperation is evident among interested parties relative to noxious weeds than has been exhibited in the past.

Mr. Kolkman concluded that weeds are a social problem as well as a biological one. When the hazard is apparently eradicated, less attention and money is available for abatement. It is better to spend a modest amount of money on a continuing program than to let noxious weeds spread, thereby forcing the allocation of significant resources to bring the situation under control. Nevada's program, however, is much stronger than programs in surrounding states.

UPDATE ON THE ELK MANAGEMENT PLAN AND RELATED ISSUES IN EASTERN NEVADA

Gregg H. Tanner

Gregg H. Tanner, Game Management Bureau Chief, NDOW, SDCNR, provided two documents prepared by the division, "Nevada Elk Species Management Plan, February 8, 1997," and "Big Game Status and Quota Recommendations 1998." See Exhibits N and O, respectively.

Mr. Tanner explained the development of the management plan. Referring to his exhibits, he discussed:

- Population and harvest trends, management and biological issues, and related economic effects;
- The future direction anticipated for the agency with respect to elk management issues;
- The types of statistical information included in the handouts;
- "Proposed Regulation of the Board of Wildlife Commissioners, Commission General Regulation 265" (see Exhibit P), which provides for a special elk incentive tag, was issued subsequent to the passage of Assembly Bill 470 of the 1997 Legislative Session (Chapter 392, *Statutes of Nevada*). The development of the draft regulation was a collaborative effort by affected agencies and parties, and no public comment has been received to date;
- The formula for elk use on private lands set forth in draft regulation 265;
- The projected adult elk population — 4,800 adult animals for the spring of 1998;
- The levels of elk propagation during various weather cycles, i.e., in times of drought, the rate can be less than 20 percent, and in wet years, the rate can be as high as 45 percent;
- The harvest management program. During the 1997 season, 780 tags were issued out of 12,525 applications, and the net harvest was 389, for a 52 percent hunter success rate. In 1998, the approved quota is 1,050 tags, which represents a 25 percent increase over 1997, and it is anticipated that the harvest will be approximately 546 animals;
- How unsuccessful applicants are given an increased opportunity to obtain tags in subsequent years;
- The Elk Damage Fund and mitigation program that finances cash payments and the cost of exclusionary fencing, to which \$25,000 was allocated annually in fiscal year 1991-1992. Since that time, applicants have been charged \$10 per application, of which \$5 goes to the Elk Damage Fund. The current balance in that fund is \$341,852, after the disbursement of \$29,978 for elk damage payments in this year; and
- The use of prison honor camp labor in the construction of exclusionary fencing.

Mr. Tanner described the erection of four miles of elk fence at the Lydel Ranch in Lincoln County. The construction of 17 miles of fence around the perimeter of the Geyser Ranch in Lincoln and White Pine Counties has been authorized, at a cost of between \$130,000 and \$150,000.

Primary elk management issues in Nevada include:

- The threat to grazing privileges on public land;
- Depredation on private property;
- The importation of elk stock, which may carry livestock disease, from outside Nevada; and

Sportsmen, who may not "allow NDOW to control" the overpopulation of elk.

Management constraints and opportunities will:

- Be consistent with goals of resource management subplans;
- Pursue the establishment of herds in suitable habitat, coordinated with affected interests;
- Follow wildlife commission policy when releasing elk, i.e., notify affected parties, seek public review, prepare subplans with appropriate land management agencies, and obtain commission approval for releases;
- Test all transported elk for brucellosis and other diseases and will not introduce or move elk that test positive for brucellosis;
- Not release elk on private lands without landowner permission or in urban areas unless depredation problems are ameliorated; and
- Not develop elk refuges or feed elk except under catastrophic circumstances approved by the commission.

Elk population management goals and strategies include:

- Establishing and achieving population objectives;
- Allowing elk population to expand their distribution [pioneer] consistent with wildlife commission policy — through permitting the movement of elk into suitable habitats previously unoccupied by elk — preparing a subplan to benefit the new population, and designating elk-free zones within subplans and release plans;
- Monitoring populations and distribution by documenting and analyzing data and preparing harvest reports and population estimates; and
- Not providing winter feed, except in catastrophic circumstances.

Habitat management is geared toward:

- Improving elk habitat and reducing land user conflict through vegetal manipulation practices that will provide additional forage;
- Encouragement of pinion-juniper chaining projects and controlled burns, which maximize edge effect through the creation of small and irregular openings in the pinion-juniper woodland stands;
- Increasing supplemental seeding of desired vegetal species to restore overall range and woodland productivity;
- The acquisition of property and easements to either enhance or protect elk habitat;
- Consistency with meeting all land use plan objectives;
- The provision of adequate water for optimum distribution;
- Maintaining minimal constraints on other land users because of establishment and growth of elk populations; and
- The attainment of good ecological conditions of public and private rangelands.

Mr. Tanner noted that the final plan will include an outline of the target populations, and the primary tool to be used in attainment of those numbers on a geographic-unit basis will be the harvest management program, which will include a coordinated effort involving all interested agency representatives and users.

The elk population cap in Lincoln County management plan is expected to be about 300 animals.

Chairman Rhoads noted that elk herds are moving or being transported into areas, where they either have never been or have not been in recent history, to compete with livestock for the same forage. On rangeland that was already carrying maximum AUMs for livestock and other animals, e.g., the Wells Resource Area in the Elko District, how can that land be expected to accommodate the impact of a newly introduced or migratory herd of elk?

Mr. Tanner explained that addressing that concern is why the NDOW is participating in the process. Those types of facts should be presented during the monitoring phase and the plan will be developed to be compatible with carrying capacities to achieve the desired ecological condition of the range consistent with the monitoring. Senator Rhoads replied that establishing elk in areas where there were none before must necessitate a reduction in the numbers of some other animals. In the Wells Resource Area, specifically, Mr. Tanner explained the management plan establishes a population of 2,200 elk and constrains other resources.

Senator Rhoads commented that, over the past two decades, ranchers have been told they are "running too many head of livestock"; however, NDOW is now introducing elk into areas where AUMs have been reduced in the past. Mr. Tanner replied that the demand for elk by sportsmen has indicated a public desire for NDOW to "be in the elk business." At the same time, the division recognizes it is dealing with "some difficult situations, particularly as it involves private lands in rural areas" and public land grazing permits. The agency is trying to be responsive to those problems. Chairman Rhoads concluded that, although he also likes to hunt, the elk hunter does not make a living off the land, ranchers do.

Mr. Marvel noted that grazing permits are issued annually, and the number issued has been predicated on the forage made available by weather conditions. If feed was not naturally available, the number of permits issued were limited; however, there is no way to protect the resource from elk grazing once the animals are introduced into an area regardless of whether or not permits are issued for livestock. Mr. Tanner responded that the division has been involved in fencing private properties to address that situation.

Senator Jacobsen asked what formula is used to pay for damage caused to private property. Mr. Tanner explained that it is based on AUMs lost due to elk grazing, but the division is amiable to factoring in other considerations to arrive at a "fair" figure in the payment of claims. An arbitration board can be appointed in some instances, but that option has never been used.

Hank Vogler

Hank Vogler, member of the White Pine County Elk TRT, testified that he is a "sportsman who supports that bad habit by raising livestock." Mr. Vogler explained:

- The first elk were introduced into White Pine County about 20 years ago.
- The Geyser Ranch, located in Lake Valley, has been successful in being approved for about 17 miles of fencing to keep elk off that property; however, the adjoining property, which holds livestock grazing permits, does not have that benefit. For that rancher, utilization levels, which were set at 65 percent of previous allocations last year, have dwindled to zero because there is no feed left on that land after the elk herds feed in the area.
- In 1987 he, personally, experienced a 60 percent decrease in AUMs, and other ranchers had similar experiences.
- There are now approximately 1,000 head of elk on the lands he previously used for livestock grazing.

In his view:

- Although there has been some pinion-juniper and sagebrush encroachment on his land, the primary threat to livestock grazing has been the growth of elk herds.
- The White Pine County Elk TRT, which meets in Ely, has not made any progress toward solving grazing pressures, and the NDOW representatives on the TRT are neither economists nor do they have direct decision making authority on the "tough issues."

The NDOW assertion that removing livestock reduces the strain on resources, does not appropriately address local concerns.

- Little comes from these TRT meetings other than larger elk herds — stalling a decision for three or four years results in a 4,000-head elk herd growing into an 8,000-head herd; and, if the herd is then reduced by 25 percent, 6,000 elk still remain on land that may not have had adequate forage for the original population of 4,000 — and ranchers cannot graze livestock on land they previously used for that purpose.
- That exacerbation of the population problem is all that is occurring.
- The MOUs between the USFS, the BLM, and NDOW has been in place for a "very long time," and has yet to bring about compliance with a main component of the agreement, i.e., that there will be "no increase in elk" at the expense of livestock.

Mr. Vogler explained that:

- Elk are "very large," ruminant animals that eat basically the same things cows do.
- Because elk are gentle and generally under hunted, they continue to concentrate in ranching areas, and they have nearly put several ranchers out of business in White Pine County, which is 97 percent federally owned.
- Neither paying a rancher for alfalfa that is eaten by elk herds nor refusing to allow ranchers to graze livestock because the elk have eaten available forage solves the problem.
- The incidence of such impediments to the local economy is continually increasing and becoming more threatening to families who make their living from raising livestock.
- No one has asserted that the elk herds should be eliminated, Mr. Vogler added. Where those herds are distributed, however, has been the cause of concern. Although at the outset of the TRT meetings the NDOW indicated an ability to capture elk and move them, that has not been done, even though an alternative location for 2,400 elk was identified in the Shell Creek Range. Instead, the NDOW purchased more elk from Oregon and Utah for introduction into this state, thereby increasing the problem.
- If there was a perception by NDOW and other agencies that it was beneficial to introduce elk into other parts of Nevada, why were they not taken from White Pine County where the population exceeds the carrying capacity of the land.
- The Ibapah Indian Tribe entered into an agreement to acquire 20 head of elk each year over five years; however, 215 head were brought into the area the first year. The result was an immediate explosion in the elk population to about 500. Because the tribe has sovereign nation status, it was able to address the problem by hiring a helicopter crew to harvest and sell 100 head and scatter the remainder throughout the reservation and onto other ranges to form small, wild groups.
- The NDOW response to the Ibapah action was to arrest those persons involved and bring them to Ely to post bail, rather than "taking a lesson" from the situation.
- The most critical issue is uniform treatment of interested parties. There is space for both livestock and wildlife in the county and in the state; however, delaying necessary decisions only makes solutions more complex. Herds must be broken up and disbursed to retain their wild characteristics.
- In areas where elk are concentrated, they have no fear of man or vehicles and they congregate, thereby increasing negative effect on the land.
- The value of an elk, as established by NDOW, is \$2,731, and in 1997 the division netted about \$52,000 from a \$6.5 million investment, which computes to a .8 percent return on investment.
- There are approximately 25,000 cows and 12,000 sheep in White Pine County, representing 27,400 AUMs, and the average rancher spends \$261 per head. That equates to an annual expenditure of \$7 million by ranchers

in local communities. When the multiplier effect is factored into the equation, that translates to almost \$13 million in revenue to the county currently and that could be increased by the manipulation of forage resources.

- The only way the TRT will publish a report soon is if the ranchers are "sent home."
- Twelve people control 80 percent of the sheep in Nevada due to the impact of conditions adverse to the industry, and the cattlemen are not far from the same situation.
- Something fair, equitable, and reasonable needs to be done, and the movement toward a solution needs to be led by NDOW. The federal and state agencies should be held as responsible for their charges as ranchers are. So far, no agency representatives have admitted that elk eat forage.

Mr. Vogler said he has attended wildlife commission meetings to voice concern; however, the tactic seems to be to stall decisions as long as possible to preclude ranchers from grazing their livestock on public lands.

Chairman Rhoads asked Mr. Vogler to submit any ideas to improve the situation to him before the committee's September meeting in Tonopah.

UPDATE ON THE PLACEMENT OF THE GREAT BASIN HERITAGE CENTER

Virginia Terry

Virginia Terry, Great Basin Heritage Center, noted that progress has been made since 1993. A grant was received from the USFS to proceed with a feasibility study, and the results can be found in the "Draft Report, Feasibility Analysis, Great Basin Heritage Center," dated July 1996, prepared by Dean Runyan Associates, which she provided. See Exhibit Q. The report includes:

- A market analysis;
- Demand projections;
- A site analysis of seven possible sites within or near Ely, which indicates the Highway 6/Pioche corridor south of Ely as most likely for placement of the facility;
- Key project elements for the siting of interpretive facilities;
- Agency and community participation overview; and
- An analysis of project funding and budgetary options.

The study concludes that:

- The heritage center would be appropriate to the area;
- There is a need, for the facility to be successful, to coordinate funding sources, maintain a high level of open communications among participants, and the establishment of a stable governing organization to oversee management; and
- Without the location of a primary contributor, fund raising will require persistence.

The heritage center will focus on:

- Indigenous tribes;
- The westward pioneer movement, including transportation;

- Environmental and geological features;
- Rural lifestyles; and
- Modern contributions of the area.

Chairman Rhoads noted that Elko County is considering an interpretive center to showcase the history of the Oregon Trail, which would be patterned after a similar center in Baker, Oregon. Ms. Terry explained that additional facilities can be found at Bend, Oregon; Dolores, Colorado; and at Inyo, California.

PUBLIC COMMENT

Don Henderson

Don Henderson, Deputy Administrator, Rangeland Specialist, Nevada's Division of Agriculture, Department of Business and Industry, introduced himself and explained the position he holds, which was approved during the 1997 Session of the Legislature. The four areas in which he is involved are:

- Noxious weeds;
- Estray horses;
- Wild horses; and
- General range management.

His background includes a degree in natural resources, having graduated from UNR and the California Polytechnical College, and 13 years as a natural resource consultant in Carson City. He offered to act as a resource to the committee for information on various issues.

Merlin R. Flake

Merlin R. Flake, Manager, Delmar Valley Cattle Company, Ely, Nevada, discussed elk management issues pertinent to the Geyser Ranch in Lincoln and White Pine Counties. His written comments are attached as Exhibit R, and include a description of:

- The Geyser Ranch, which encompasses 7,300 acres of private land surrounded by BLM grazing permits;
- The high degree of depredation, which centers on a 125-head herd of elk that frequent the improved pastures and hayfields of the ranch (the forage taking cost from May until September 1997 was nearly \$16,000);
- Previous attempts at resolution, which resulted in hunts that removed less than 20 head — when the original agreement between NDOW and the Latter-Day-Saint Welfare System that operates the ranch was to take no less than 60 cow elk;
- The current plan to fence the property, which simply "moves" the problem, rather than solving it, and may place more pressure on adjacent private ranches and riparian areas on public land. This plan is also costly and requires a high level of maintenance; and
- The poor condition of that riparian area — among the worst in the state in 1996, due to drought and wild herd use, even after several years of nonuse by livestock — which adversely affected private operations that required irrigation and stock water.

Mr. Flake suggested:

- An increase in the hunt to harvest elk and that the hunt take place simultaneously on adjacent management

areas;

- The establishment of reasonable numbers and appropriate management techniques for the elk herds to enable private landowners to assist in the solution to this problem; and
- Cooperation among agencies and users based on common sense and moderation.

He told the committee he would welcome any advice from or pressure that could be brought by the committee that would help to bring balance to this issue.

Laurel Etchegaray

Laurel Etchegaray, member of the White Pine County Coordinated Resource Management Steering Committee, the state's elk management steering committee, and the Eureka County Public Lands Committee, testified regarding Exhibit P, the "Proposed Regulation of the Board of Wildlife Commissioners Commission General Regulation 265."

She attended a meeting at which this proposal was discussed, but this is the first published version she has seen. In her view, the following items need to be addressed prior to its adoption:

- The formula included in the proposal uses "elk days on private land," however, as pointed out in previous comments, the forage on that land, as defined in terms of AUMs, has been adjudicated as a taxable, private property right of ranchers;
- Water rights are also private, taxable property rights; and
- The regulation fails to define the value of a private property right to its owner, whether it is a forage right or a water right. Without those rights, there would be no provision for cattle, elk, sheep, or wild horses and burros.

Therefore, this incentive tag proposal selectively addresses the value of private land, which is only a part of the issue; and, to have elk grazing on private lands:

- A private property right has to be utilized;
- Water must be seen as the limiting factor in the equation in most areas of the state; and, in this state, water rights are a private property taxable value; and
- Adjudicated forage allotments, AUMs, which were "taken away" from ranchers to provide for wild horses and are now being "reinstated" to feed elk herds, must be seen as "of value." Her family's ranch took an 8,000-AUM cut, which was appealed to the Interior Board of Land Appeals (IBLA) level and lost in 1996, to provide for wild horse needs. Although the number of horses ultimately decreases on that land, the 8,000 AUMs were not restored.

Ms. Etchegaray explained:

- Due to the climatic conditions of the winter and spring of 1997 and 1998, range and livestock herd health is excellent; however, many more animals could have been raised except for the loss of those AUMs, and elk had never been on that ranch;
- A suggestion was made at a local TRT meeting for elk to be moved onto that allotment — not a reasonable suggestion to make to a ranching family that already lost so much and had to sell its property; and
- There is a need to recognize two things, (1) the water on that land is private, and (2) although a large number of AUMs were lost, the remaining AUMs are private;
- It took many years for the range on the ranch to renew itself — economic value, lifestyles, and livelihoods have been lost — and now land management agencies are considering the introduction of a herd of animals onto the ranch that are potentially more detrimental to the land than a well-managed domestic herd would be.

In her view, the term "elk management" as used in these plans is "ludicrous" because the federal and state agencies do not manage elk, they allow them to increase to the detriment of domestic stock and the underlying resource.

Chairman Rhoads thanked Ms. Etchegaray for her comments and said those concerns would be investigated.

Mr. Kolkman, BLM, said the agency is trying to develop a locally based, collaborative, decision making process to resolve elk issues. That process includes many people with diverse interests. Rather than approaching the question from the traditional tack, where the BLM or other agency conducted an investigation, made a decision, and then saw those who disagreed in court, the BLM is trying to reach coordinated resource management settlements based on consensus. In his view, the process has been working.

Chairman Rhoads noted this is not the first time he and other committee members have fielded complaints about the TRTs. In some instances, constituents have noted that the BLM and the USFS are cooperating but the NDOW is not; therefore, the process is stymied. According to Mr. Kolkman, NDOW is bringing a point of view to the table that may not be popular, but it is staying at the table to work to resolve the issues. In his view, it would be unfortunate for the comments offered at this meeting to lead away from the process toward the old method. The resulting litigation would be more time consuming than the ongoing negotiations.

Chairman Rhoads said he shares the concerns raised by the public at this meeting and noted that those issues will continue to be pursued by the committee.

Norman Frey

Norman Frey, candidate for the Nevada Assembly and president of the Newlands Protective Association in Fallon, Nevada, which defends private property and hydropower rights of irrigation water rights owners, commented on land exchanges.

The idea that exchanges are between "willing buyers and sellers" is sometimes skewed because there is only one buyer in the market in most instances. So many lawsuits have been filed by the Federal Government against individuals that other buyers are deterred from making offers.

Mr. Uhalde, representing John Uhalde Holding Company, made the following comments on the elk management incentive tag plan:

- Consideration should be given to the fact that most of the water in the part of the county surrounding Ely is privately owned;
- Large ungulates seek water, consume substantial amounts of it, and develop migration patterns to obtain it;
- Although NDOW has come forward to participate in the process, it will be a lengthy process.

Communication is fine, until the really controversial issues are being discussed, interjected Mr. Vogler. The most difficult discussions arise over the provisions of the MOU between the BLM and the ranchers, which portends there will be no reduction in livestock due to elk. Chairman Rhoads said that is the same thing he heard 16 months ago in Carson City.

Mr. Uhalde said it might be helpful if the college-trained representatives who sit on the TRT had the ability to make on-site decisions. If they are not responsible enough to do that, they should not be on the team. Individuals make such decisions "all the time" and have to live with them.

Joel Twitchell

Joel Twitchell, Chairman of the White Pine and Lincoln County Steering Committee, commented that:

- The steering committee, under which five TRTs operate, has requested that the state executive committee convene for the purpose of reviving enthusiasm in and demonstrating support for the TRTs, especially for the efforts of the local federal and state agency representatives on the subplan TRTs;

- Many changes have occurred in the membership of the executive committee and it is important to ensure the goals and objectives are still the same;
- The scope of the elk problem in White Pine County is more severe than in Lincoln County, and, therefore, the TRTs do not face the same situations that must be overcome;
- From the perspective of a livestock operator, who routinely cuts his herd in half each year, it is difficult to understand the management techniques employed by NDOW for elk, and why populations are not more stringently controlled in view of the multiple use resources at hand; and
- There is an ability to reach a solution; but, unfortunately, it depends a great deal on personality, perspective, and politics.

In his view:

- There are biologists for NDOW who know and understand the difficulties faced by ranchers, and there are others who are "far more sympathetic to the goals of the Sierra Club."
- Three years ago, for instance, on one of his small grazing allotments, there were 16 elk; two years ago, 33; last year, 66; and, now, there are 117.
- Because no other control mechanism is being used to protect the resource — other than restricting use by livestock — the forage continues to be consumed while federal and state land agencies profess conservation of the resources. Distribution, overgrazing, riparian, and over utilization problems exist, even when livestock is precluded from the rangeland, because the federal agencies have no control over state-owned elk.
- The mission of NDOW is to "preserve, protect, and enhance the state's wildlife" on behalf of its citizens. Representatives of NDOW have openly commented that there is not an "elk-free area" in Nevada. However, historically, there have been and still are naturally occurring animal-free areas in the state.

Chairman Rhoads asked Mr. Twitchell to join with Mr. Vogler to develop recommendations prior to the September 1998 meeting. He also requested NDOW to do the same.

Quenton Perkins

Quenton Perkins, member of the Lincoln County Public Lands Commission, stated that it would benefit the members to review the BLM's "1983 Egan Resource Management Plan," which adjudicates AUMs for antelope, mule deer, elk, and wild horses and designates where the herds will and will not be located. Prior to the issuance of that document, there were no AUMs established for wildlife.

Ms. Etchegaray added that Exhibit N, the "Nevada Elk Species Management Plan, February 8, 1997," was written to be a guidance tool, not as a specific "management document." Detailed subplans will be developed for each designated herd within the state and each may be managed differently.

Senator Jacobsen recommended, after hearing the testimony at this meeting, that:

- The wild horse problem should be addressed by use or sale. Currently, horses bring a higher price at market than do cattle.
- In the event there is an overabundance of elk, they should be harvested.

He noted that forage crops have been improved, larger quantities are available at a lower cost. The same principles of economics and supply and demand work for animals — the elk meat could be used in the state's institutions. A state-of-the-art animal processing facility at UNR was closed a few years ago; but, meat might be packaged for institutional use at that site. An appropriate manner and means to address some of these problems exist, even if they "fly in the face of some special interest groups." Sportsmen should be allowed additional hunting tags to assist in maintaining wild herds at acceptable levels, and the remaining numbers of animals over established carrying capacities should be harvested. The money generated from the sale of the resource could supplement federal and state agency budgets.

Also, in the event wild horses stray onto private property, they should become the property of the landowner to be disposed of or kept, as desired.

Senator Jacobsen further explained that rangeland conflicts and problems have been developing for decades, have not gotten better over time, and pressures will worsen as other animals species are identified as threatened or endangered and as human population increases. Grazing allotments and construction projects have been curtailed and canceled due to the presence of the desert tortoise and the Capistrano swallow, and they could be further impeded by the Amargosa toad or a newly protected butterfly. In addition to being concerned about the environment, we must also be realistic.

Chairman Rhoads noted that some state agencies have not been fully participating in the development of the USFS management plans for livestock grazing. He directed that a letter be written to state agencies, which should be involved, urging them to become more involved. He also entered into the record the following:

- A resolution from the Nevada State Grazing Board No. 3 (Fallon), see Exhibit S; and
- A resolution from the Nevada State Grazing Board No. 4 (Ely), see Exhibit T.

Exhibit U is the "Attendance Record" for this meeting.

There being no further business, the meeting was adjourned at 4:45 p.m.

Respectfully submitted,

Linda Chandler Law

Senior Research Secretary

APPROVED BY:

Senator Dean A. Rhoads, Chairman

Date: _____

LIST OF EXHIBITS

Exhibit A is written testimony provided by Ray Alcorn (Captain, United States Navy, Retired), former commanding officer of Naval Air Station Fallon.

Exhibit B contains the prepared remarks submitted by Rey Flake, member, Lincoln County Board of Commissioners.

Exhibit C is the recently adopted "Lincoln County Public Land Management and Use Plan," with supporting documents, ordinances, and statistical information, submitted by Shelley Wadsworth, secretary, Lincoln County Public Lands Commission.

Exhibit D is the Ely Field Office, Brueau of Land Management (BLM), United States Department of the Interior, draft report on the "Caliente Management Framework Plan Amendment and Environmental Impact Statement of Desert Tortoise Habitat," dated April 1998, also submitted by Ms. Wadsworth.

Exhibit E is a copy of information in support of testimony by Gene Kolkman, District Manager for the Ely District, BLM, U.S. Department of the Interior.

Exhibit F is a document titled "Net Proceeds of Minerals in Nevada, Overview and Update," submitted by Dino

DiCianno, Deputy Executive Director, Nevada's Department of Taxation.

Exhibit G includes corrected copies of pages 6 and 7, which replace those same pages in Exhibit F, also submitted by Mr. DiCianno.

Exhibit H contains the written testimony of Michelle Gamble, Program Assistant, Nevada Association of Counties.

Exhibit I includes information from the slide presentation titled "Las Vegas Valley Land Exchanges," presented by Richard B. Holmes, Director, Clark County Department of Comprehensive Planning.

Exhibit J is a flow chart titled "Land Exchange Process," together with a "Land Exchange Checklist" utilized by the BLM, submitted by Ken Stowers, BLM, Reno District Office.

Exhibit K is a document that reflects BLM land disposal statistics since 1982, also submitted by Mr. Stowers.

Exhibit L is the written testimony of Robert E. Wilson, Extension Educator with the University of Nevada, Reno (UNR) Cooperative Extension, University and Community College System of Nevada.

Exhibit M, titled "Controlling Persistent Range and Pasture Weeds," compiled by the UNR Cooperative Extension, was received from the Cooperative Extension previous to this meeting.

Exhibit N is the "Nevada Elk Species Management Plan, February 8, 1997," prepared and presented by Gregg H. Tanner, Game Management Bureau Chief, Division of Wildlife (NDOW), State Department of Conservation and Natural Resources.

Exhibit O is the "Big Game Status and Quota Recommendations 1998" also presented by Mr. Tanner and prepared by the NDOW.

Exhibit P is the "Proposed Regulation of the Board of Wildlife Commissioners, Commission General Regulation 265," which was issued subsequent to the passage of Assembly Bill 470 of the 1997 Legislative Session (Chapter 392, *Statutes of Nevada*) and provides for a special elk incentive tag.

Exhibit Q is the "Draft Report, Feasibility Analysis, Great Basin Heritage Center," dated July 1996, prepared by Dean Runyan Associates, and presented by Virginia Terry, Great Basin Heritage Center.

Exhibit R is a copy of written testimony, titled "Elk Management at Geyser Ranch," submitted by Merlin R. Flake, Manager, Delmar Valley Cattle Company, Ely, Nevada.

Exhibit S is a resolution from the Nevada State Grazing Board No. 3 (Fallon), submitted by Senator Rhoads.

Exhibit T is a resolution from the Nevada State Grazing Board No. 4 (Ely), also submitted by Senator Rhoads.

Exhibit U is the "Attendance Record" for this meeting.

Copies of the materials distributed in the meeting are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the library at (702) 684-6827.