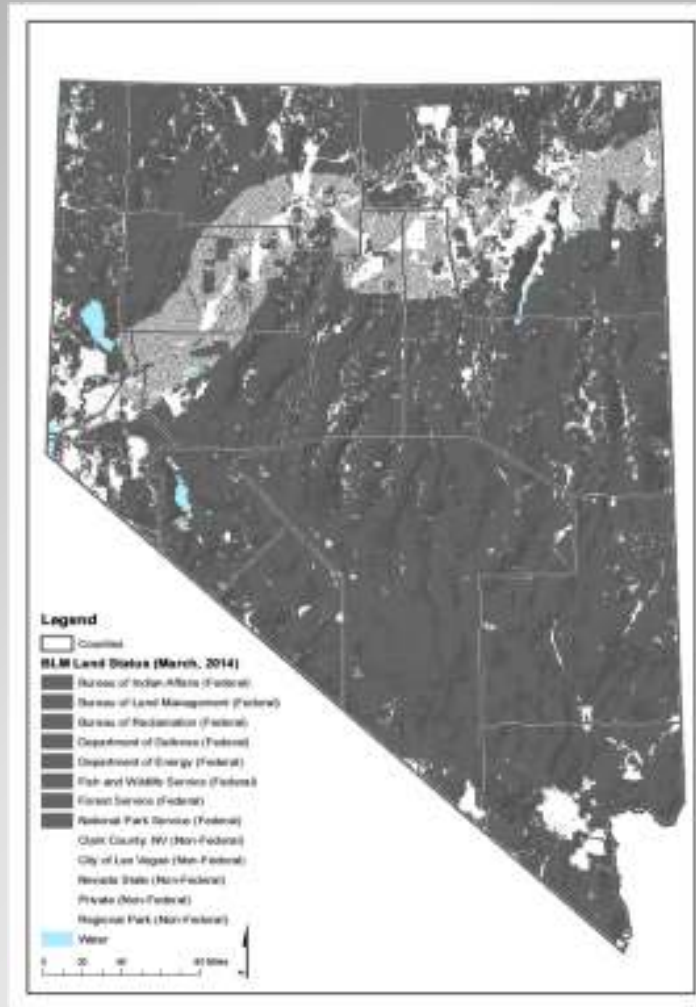


# **Overview of Nevada Land Management Task Force Report**

**Presentation to the Nevada Joint  
Military Affairs Committee  
NAS Fallon,**

**August 5, 2014**



**Nevada's economy is constrained by limited private and state owned land**

## Lands to be Excluded from Transfer

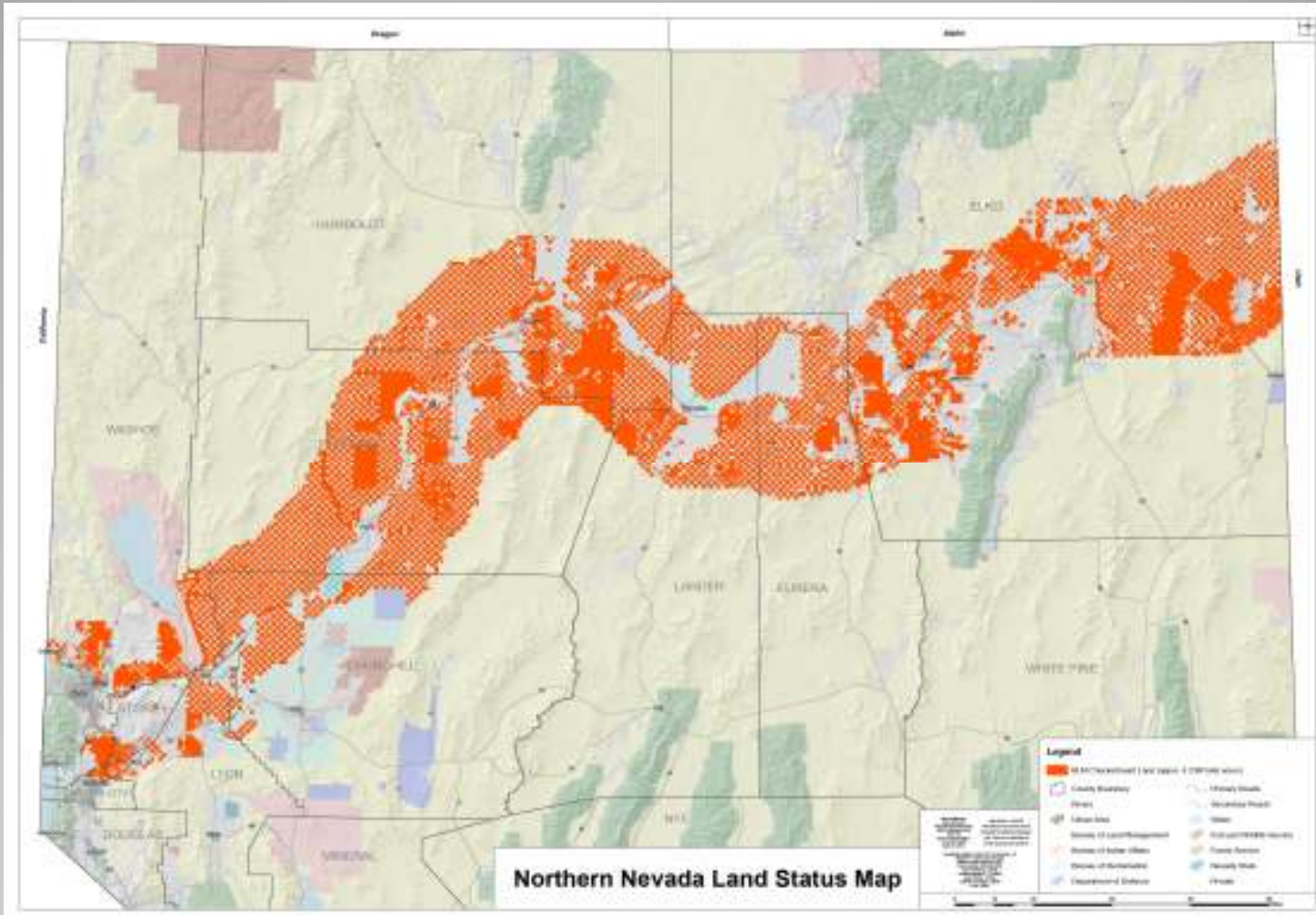
- Current Congressionally designated wilderness areas
- National Conservation Areas
- Lands currently administered by:
  - Department of Energy
  - Department of Defense
  - Department of Interior – Bureau of Indian Affairs
  - Department of the Interior – U. S. Fish and Wildlife Service
  - Department of the Interior – National Park Service

**Key Task Force Recommendations**

# Lands to be Transferred in Phase I

| Description   | Estimated Acreage |
|---|-------------------|
| BLM Checkerboard  | 4,230,600         |
| Identified by BLM as Suitable for Disposal                | 1,000,000         |
| Existing BLM R&PP Leases                                  | 200,000           |
| Existing BLM ROW Grants                                   | 255,000           |
| BLM Split Estate  | 300,000           |
| BLM Designated Solar Energy Zones                         | 60,395            |
| Existing BLM Geothermal Leases                            | 1,045,079         |
| Approved and Proposed Congressional Transfers of BLM Land | 250,000           |
| Total Estimated Phase I Acreage                           | 7,281,074         |

## Key Task Force Recommendations



## BLM Checkerboard Lands

- The checkerboard land pattern is difficult to manage for both the private land owners as well as the federal agencies.
- There are no United State Forest Service (USFS) lands within the checkerboard, which minimizes the number of federal agencies to be dealt with.
- There are no federally designated wilderness areas or wilderness study areas within the checkerboard land pattern.
- There are few wild horse management areas within the checkerboard land pattern.
- The Union Pacific Railroad mainline, Interstate 80, U.S. 95, and U.S. 93 transportation corridors lie within the checkerboard land pattern.

## **Why BLM Checkerboard Lands are Logical First Step**

## Five Year Observed High, Observed Low and Average Net Revenue and FTEs for Arizona, Idaho, New Mexico and Utah State Trust Land Management (2008-2012)

|                        | 5-Yr.<br>Observed<br>High | 5-Yr.<br>Observed<br>Low | 5 Yr. Average |
|------------------------|---------------------------|--------------------------|---------------|
| Net Revenue            | \$639,11,910              | \$25,591,016             | \$223,111,851 |
| Total Acres<br>Managed | 9,302,255                 | 2,449,255                | 6,021,441     |
| Revenue/Acre           | \$72.40                   | \$16.78                  | \$36.79       |
| Expense/Acre           | \$9.00                    | \$1.45                   | \$3.73        |
| Net<br>Revenue/Acre    | \$72.26                   | \$10.00                  | \$28.59       |
| Acres<br>Managed/FTE   | 74,616                    | 9,266                    | 44,275        |

## Estimated Net Revenue from Expanded State Land Ownership in Nevada Using Four Other State Models

|  | Net Revenue Per Acre | Total Net Revenue Assuming 7.2 Million Acres of BLM Land Transferred to Nevada | Total Net Revenue Assuming 45 Million Acres of BLM Land Transferred to Nevada |
|--|----------------------|--|---|
| Four State Avg. Net Revenue/Acre Model                                   | \$28.59              | \$205,848,000  | \$1,286,550,000   |
| Four State Low Observed Net Revenue and High Observed Expense/Acre Model | \$7.78               | \$56,016,000   | \$350,100,000   |



The following lands should be considered for transfer from the federal government to the State of Nevada in subsequent phases:

- Other BLM administered lands
- United States Forest Service lands
- Lands deemed to be surplus by the Bureau of Reclamation
- Other federally managed and administered lands

The following items will be transferred from the federal government to the State of Nevada:

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

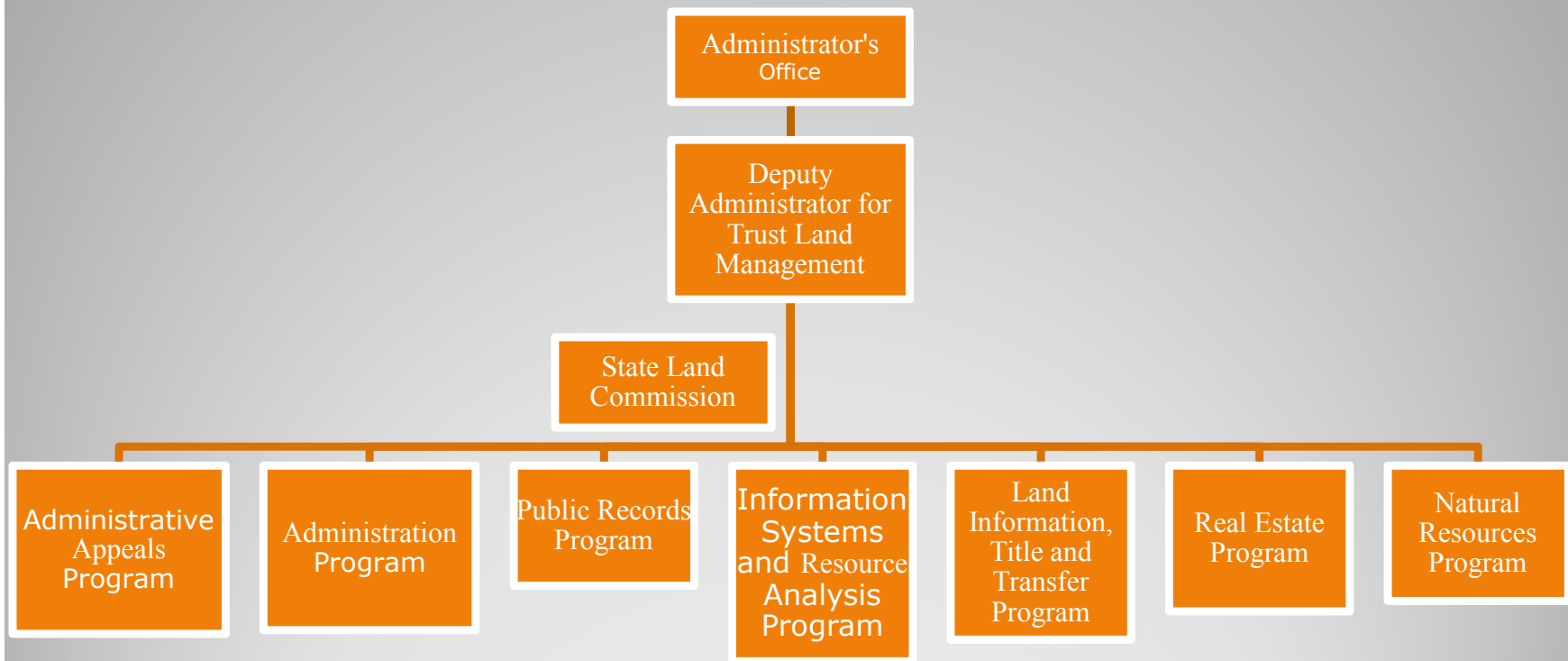
## **Key Task Force Recommendations**

The transferred lands will be held by the State of Nevada in trust and managed for long-term sustainable net revenue maximization for the following beneficiaries:

- Public K-12 education
- Public higher education
- Public specialized education
- Public mental health and medical health services
- Social, senior, and veteran services
- Public programs for candidate and listed threatened or endangered species recovery plan development and implementation
- Local governments to pay for services and infrastructure required on these lands which would otherwise be financed through property tax or other revenues available to local government

## **Key Task Force Recommendations**

The transferred lands shall be managed by an expanded Nevada Division of State Lands and new Office of Trust Land Management



## Key Task Force Recommendations

The following principals will guide State management of transferred lands:

- All transferred land subject to applicable State and local statutes, regulations, ordinances, and codes
- All transferred land subject to valid existing federal, state, and local permits; land use authorizations; rights of access and property rights
- Administration and management, including disposal, of transferred land by the State of Nevada *subject to review* by the governing board of local government(s) within which land to be disposed of is located *for consistency* with master plans, ordinances and land use policies
- Costs incurred by the State of Nevada to administer land transferred to the State to be covered by gross revenue derived from managing said land
- Land transferred in an initial phase shall be managed for long-term net revenue maximization; land transferred in subsequent phases shall be managed for on-going net revenue generation and environmental health, function, productivity and sustainability

## Key Task Force Recommendations

- No General Fund Expenditures to Manage Transferred Lands
- Portion of Transferred Lands Collateralized
- Short to Intermediate Term Debt for Land Management Start-up Capital
- Four-State, Five-Year Average Expense Per Acre of \$3.73
- Estimated First Year Expense for 7.2 Million Acres Estimated at \$26,856,000
- First Year Sale of Select Parcels to Generate Start-up Capital and Repay Debt
- First Year Sale of 30,000 Acres at Assumed \$1,000/acre Yielding \$30 Million Plus Other On-Going Revenues (rents, royalties, fees, etc.)
- Land sales in Las Vegas Valley and Reno-Sparks areas would likely result in higher values per acre.

## **Preliminary Business Plan Concepts**

Copies of all Task Force materials including Final Task Force report entitled, *A Report of the Nevada Land Management Task Force to the Nevada Interim Legislative Committee on Public Lands: Congressional Transfer of Public Lands to the State of Nevada* can be viewed at the Nevada Association of Counties website under the following Nevada Land Management Task Force link:

[http://www.nvnaco.org/images//7\\_18\\_14\\_final%20nevada%20land%20management%20task%20force%20report\\_rev%201.pdf](http://www.nvnaco.org/images//7_18_14_final%20nevada%20land%20management%20task%20force%20report_rev%201.pdf)

**For Additional Information**