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Natural Resource Issues for Rural Local Governments

Presentation to Assembly Committee on
Natural Resources, Agriculture and Mining

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February 24, 2003

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Topics to Be Discussed

- Water Resources
- Land Resources
- Threatened and Endangered Species
- Economic Development
- Fiscal Stability
- Recommendations

Water Resources

- Of the estimated 2,097,315 acre-feet per yield in perennial yield of groundwater statewide, approximately 90 percent is located in rural Nevada
- Of the estimated 2,298, 336 persons residing in Nevada, approximately 10 percent reside in rural Nevada
- Demands to export water from rural areas to support urban growth are increasing
- Demands to change water use from agriculture and mining to municipal and other industrial are increasing

Land Resources

- Approximately 87 percent of Nevada is administered by the Federal Government
- In rural counties up to 98 percent of the land area can be administered by the Federal Government
- Urbanization of the western United States is resulting in changes in Federal land management policies
- Traditional uses of public land (i.e.. mining and ranching) are being curtailed in favor of recreation and tourism
- Many Nevada communities must rely upon disposal of Federally administered public lands for expansion

Land Resources Cont.

- In many cases, private land is located in valley bottoms along rivers and streams (riparian zones) and is used for agricultural purposes
- Private land located in valley bottoms along rivers and streams is often identified as desirable for acquisition by Federal and State land managers for recreation and wildlife
- Southern Nevada Land Act and Question 1 provide Federal and State land managers with millions of dollars to acquire private land in rural Nevada

Threatened and Endangered Species

- Many rural Nevada counties contain habitat for species of flora and fauna listed as threatened or endangered under the Endangered Species Act
- The presence of habitat for one or more listed species poses a real constraint to many uses of private and public land
- Development of habitat conservation plans is costly and politically difficult
- Habitat conservation plans are required to secure Federal Incidental Take Permit and remove land use constraint

Economic Development

- Many rural Nevada counties and cities face economic stagnation or decline
- Traditional agriculture and mining sectors face ever-increasing regulatory compliance costs and international competition
- Transition to recreation/tourism-based economies not feasible in many cases due to geographic location, lack of support infrastructure, and reduced levels of employment and income
- Diversification of agriculture and application of land and water resources to new industrial ventures needed

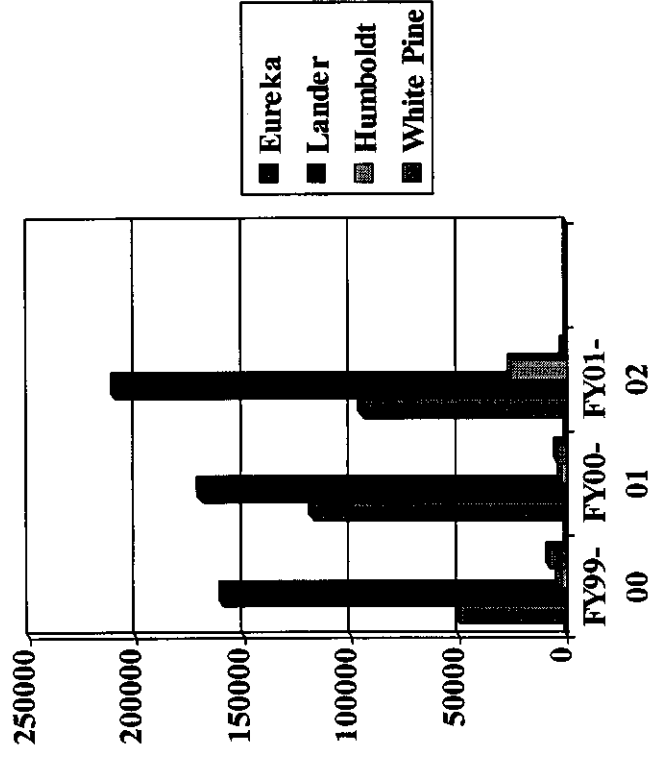
Fiscal Stability

- “Public Services Analysis for Six Local Governments” prepared by Intertech Services Corp. for Great Basin Development Assn.. (June 2001)
- Considered Eureka, White Pine, Lander and Humboldt counties and City of Ely and City of Winnemucca
- Evaluates how local governments can more effectively use existing resources during periods of economic stagnation

Fiscal Stability Cont.

- Mining related variability in assessed valuation

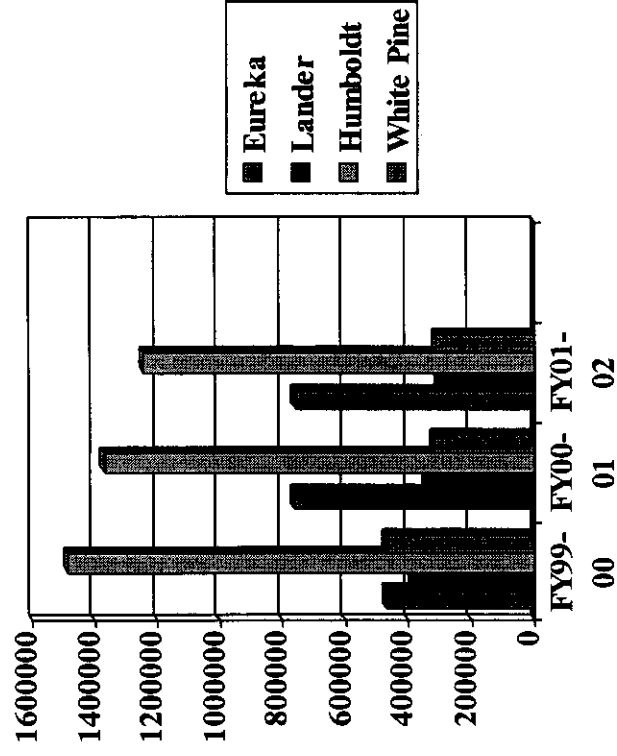
Net Proceeds of Mines (1,000s)



Fiscal Stability Cont.

- Variability in sales tax revenue (Basic City-County Relief Tax)

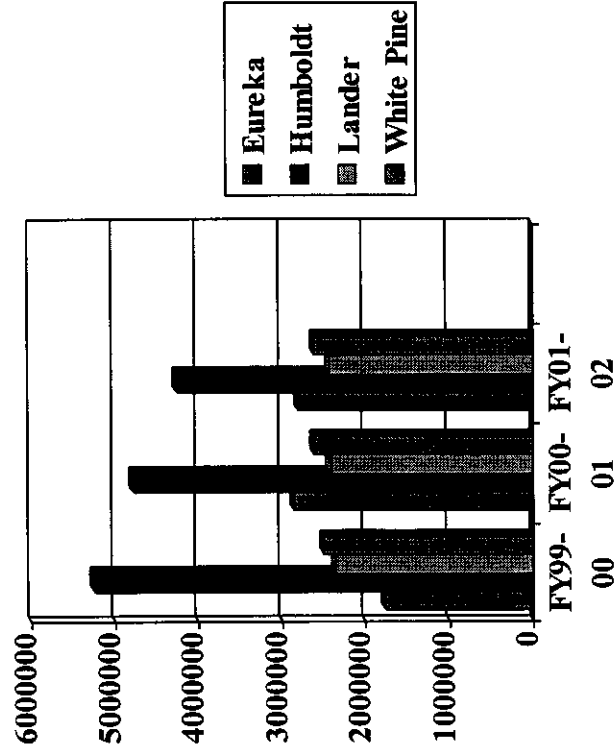
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Fiscal Stability Cont.

- Variability in sales tax revenue (Supplemental City-County Relief Tax)

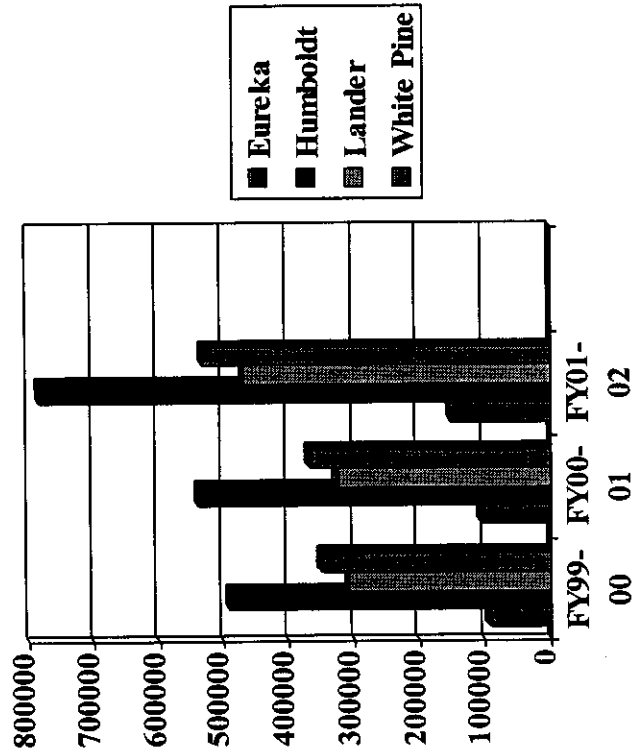
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Fiscal Stability Cont.

- Growing dependency upon Federal Payments In Lieu of Taxes (PILT)

PILT



Recommendations

- Consider effect of all legislative proposals on rural government fiscal stability
- Consider economic impact of all legislative proposals on natural resource dependent industries
- Encourage location of new state facilities in rural areas with available water
- Adopt policy of bringing growth to water rather than water to growth
- Pass legislation increasing water export fees contained in 533.438
- Pass legislation encouraging use of State bond funds to acquire easements rather than outright title to private lands

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**LINCOLN COUNTY
LAND ADMINISTRATION**

White - Private, State, Local Govt.
Black - Federal

