

Assembly Joint Resolution No. 6—Assemblymen Hardy, Gibbons, Collins, Marvel, Mabey, Andonov, Beers, Brown, Christensen, Geddes, Goicoechea, Grady, Griffin, Gustavson, Hettrick, Knecht, Koivisto, Manendo, McCleary, Pierce, Sherer and Weber

Joint Sponsors: Senators McGinness, Schneider, Washington and Wiener

FILE NUMBER.....

ASSEMBLY JOINT RESOLUTION—Urging Congress to increase payments in lieu of taxes and make certain other reparations for the detrimental effects of federally held lands in Nevada.

WHEREAS, An average of 52 percent of the land in 13 western states is held by the Federal Government, while the Federal Government holds an average of only 4.1 percent of the land in the remaining 37 states; and

WHEREAS, In Nevada, approximately 87 percent of the land, which amounts to approximately 61 million acres, is held by the Federal Government; and

WHEREAS, In 15 of the 17 counties in Nevada, more than 50 percent of the land is held by the Federal Government, and in 4 of the 17 counties, more than 90 percent of the land is held by the Federal Government; and

WHEREAS, The management and control of such an extensive amount of the land in Nevada by the Federal Government has had substantial adverse effects on Nevadans; and

WHEREAS, When the Territory of Nevada was admitted to statehood on October 31, 1864, the Federal Government provided the newly admitted state with 2 sections of land in each township for the benefit of common schools, which amounted to 3.9 million acres, while other states that were subsequently admitted to statehood received 4 sections of land in each township for the benefit of common schools; and

WHEREAS, In 1880, it was necessary for Nevada to agree to exchange its 3.9 million acres for only 2 million acres of its own selection as Nevada had an immediate need for public school revenues and the land originally granted by the Federal Government to Nevada for common schools was not providing sufficient revenue because it included many undesirable sections that were on steep mountainsides or salt flats, the sections of the land could not be received from the Federal Government until they were surveyed and only a small fraction of the land had been surveyed and sold; and

WHEREAS, The disproportionately small amount of land received from the Federal Government for the benefit of common

schools contributes only a small amount of revenue for the schools in Nevada in comparison to other states, and places an excessive burden on the financial resources of each county in Nevada; and

WHEREAS, Because the land held by the Federal Government is exempt from property taxes, the management and control of such an extensive amount of land in Nevada by the Federal Government has the effect of worsening the tremendous fiscal burdens experienced by counties in Nevada for those counties with a considerable amount of federally held land located within their boundaries; and

WHEREAS, The annual impact of this property tax exemption in the western states has been estimated at billions of dollars, which greatly hinders the ability of those western states, including Nevada, to develop and prosper economically; and

WHEREAS, In 1976, Congress enacted Public Law 94-565, which is codified as 31 U.S.C. §§ 6901 to 6907, inclusive, and as amended, is commonly known as the Payments In Lieu of Taxes Act; and

WHEREAS, The Act requires the Federal Government to make annual payments to local governments to compensate the local governments for the loss of revenue they experience because of the presence of land within their boundaries that is held by the Federal Government; and

WHEREAS, Congress appropriates money each year that the Bureau of Land Management distributes to each of the 17 counties in the State of Nevada pursuant to several statutory formulas set forth in the Act; and

WHEREAS, The annual payments received by the counties in Nevada pursuant to the Act are significantly less than the annual revenue that those counties could collect from property taxes if the land held by the Federal Government were privately held; and

WHEREAS, From the inception of the payments in 1977 to the end of the 2001-2002 Fiscal Year, the money appropriated by Congress has been insufficient to provide full payment to the counties in Nevada pursuant to the statutory formulas; and

WHEREAS, Even though Nevada is the state with the second highest percentage of land held by the Federal Government, Nevada only ranks as the eighth highest state in terms of the amount of the payments it receives from the Bureau of Land Management pursuant to the Act because the statutory formula set forth in 31 U.S.C. § 6903 is based in part on the population of the local government that will be receiving the payments, and 14 of the 17 counties in Nevada have populations that are less than 50,000; and

WHEREAS, Another example of the adverse effects of the management and control of the extensive amount of land in Nevada held by the Federal Government is the management and control of the Nevada Test Site, which was established in December 1950, by

President Truman, upon the recommendation of the Atomic Energy Commission, as the location at which nuclear weapons testing would be conducted within the continental United States; and

WHEREAS, Approximately 5,470 square miles of federally held land in Nevada was used to provide:

1. The Nevada Test Site, which is owned and controlled by the United States Department of Energy and encompasses approximately 1,350 square miles of desert and mountainous terrain, an area which is larger than the State of Rhode Island; and

2. An additional 4,120 square miles of unpopulated land area surrounding the site which was withdrawn from the public domain for use as a protected wildlife range and for a military gunnery range; and

WHEREAS, More than 1,100 nuclear weapons tests were conducted at the Nevada Test Site, located 65 miles northwest of Las Vegas, Nevada, before the Limited Test Ban Treaty, which effectively banned atmospheric testing of nuclear weapons, was signed on August 5, 1963; and

WHEREAS, While the primary mission of the Nevada Test Site has been the testing of nuclear weapons, after the signing of the Limited Test Ban Treaty in 1963 and the initiation of a voluntary worldwide moratorium on nuclear weapons testing in 1992, the Nevada Test Site has been used for other purposes, including, without limitation, hazardous chemical spill testing, emergency response training, conventional weapons testing, conducting studies relating to waste management and environmental technology, and storing low-level waste; and

WHEREAS, In 1978, the United States Department of Energy established two Radioactive Waste Management Sites at the Nevada Test Site which have received approximately 21 million cubic feet of low-level waste for disposal from 1978 until the present, making the Nevada Test Site one of the largest regional low-level waste storage facilities in the country; and

WHEREAS, Because the Nevada Test Site is centrally located within the Death Valley regional ground-water flow system, which includes much of southern Nevada and the Death Valley region of eastern California, the residents of Nevada and California are subject to risks from subsurface contaminants that may be transported from the Nevada Test Site by ground water as a result of past and future activities conducted at the Nevada Test Site; and

WHEREAS, The residents and resources of Nevada may be exposed to additional risks because most of the ground water leaving the ground-water flow system is limited to local areas where geologic and hydrologic conditions force ground water upward toward the surface to discharge at springs and seeps; now, therefore, be it

RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF NEVADA, JOINTLY, That the members of the 72nd Session of the Nevada Legislature hereby urge Congress to:

1. Authorize the transfer of land in Nevada from the Federal Government to the State of Nevada in the amount necessary to provide Nevada with the same amount of land received by the states that received 4 sections of land for the benefit of common schools upon admission to statehood;

2. Either:

(a) Amend 31 U.S.C. § 6906 to provide permanent funding in the amount necessary to carry out the Payments In Lieu of Taxes Act as set forth in 31 U.S.C. §§ 6901 to 6907, inclusive; or

(b) Appropriate for distribution to the counties in the State of Nevada a sufficient amount of money each fiscal year to provide the entire amount of the payments required by the statutory formulas set forth in the Payments In Lieu of Taxes Act;

3. Amend 31 U.S.C. § 6903 by deleting the current population-based statutory formula and replacing it with a provision that authorizes the Secretary of the Interior to compensate the counties in Nevada and the local governments of other states in an amount that is equal to the amount that those counties and other local governments would be able to collect in property taxes if the land held by the Federal Government were privately held; and

4. Either:

(a) Authorize the transfer of an additional 5,470 square miles of land in Nevada and any water rights appurtenant thereto from the Federal Government to the State of Nevada to fairly compensate Nevada for the approximately 5,470 square miles of land that were withdrawn from the public domain for the purpose of establishing the Nevada Test Site; or

(b) Appropriate for distribution to the State of Nevada the amount of money necessary to fairly compensate Nevada for the approximately 5,470 square miles of land that were withdrawn from the public domain for the purpose of establishing the Nevada Test Site and any detrimental effects to that land and to the Death Valley regional ground-water flow system that resulted from the activities conducted at the Nevada Test Site; and be it further

RESOLVED, That the Chief Clerk of the Assembly prepare and transmit a copy of this resolution to the Vice President of the United States as presiding officer of the United States Senate, the Speaker of the House of Representatives, the Secretary of the Interior, the Secretary of Energy, the Director of the Bureau of Land Management and each member of the Nevada Congressional Delegation; and be it further

RESOLVED, That this resolution becomes effective upon passage.