

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON NATURAL RESOURCES, AGRICULTURE, AND
MINING**

**Seventy-Sixth Session
February 10, 2011**

The Committee on Natural Resources, Agriculture, and Mining was called to order by Chair Maggie Carlton at 1:42 p.m. on Thursday, February 10, 2011, in Room 3161 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/76th2011/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblywoman Maggie Carlton, Chair
Assemblyman Paul Aizley
Assemblyman Elliot T. Anderson
Assemblyman David P. Bobzien
Assemblywoman Irene Bustamante Adams
Assemblyman John Ellison
Assemblyman Ed A. Goedhart
Assemblyman Ira Hansen
Assemblyman Kelly Kite
Assemblyman Pete Livermore
Assemblyman Harvey J. Munford
Assemblywoman Peggy Pierce

COMMITTEE MEMBERS ABSENT:

Assemblyman Joseph M. Hogan, Vice Chair (excused)

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Randy Stephenson, Committee Counsel
Amelie Welden, Committee Policy Analyst
Judith Coolbaugh, Committee Secretary
Sherwood Howard, Committee Assistant

OTHERS PRESENT:

Jeanne M. Higgins, Forest Supervisor, Humboldt-Toiyabe National Forest,
Forest Service, United States Department of Agriculture
Jeff Marsolais, Acting Forest Supervisor, Lake Tahoe Basin Management
Unit, Forest Service, United States Department of Agriculture,
South Lake Tahoe, California
Amy L. Lueders, Acting State Director, Nevada State Office, Bureau of
Land Management, National System of Public Lands, United States
Department of the Interior

Chair Carlton:

[Roll called.] At the beginning of every meeting, I will be reading the following introduction. We greatly appreciate your cooperation in muting your cell phones and your computers. Members of the Committee, as you get more comfortable with the Nevada Electronic Legislative Information System and the exhibits on it, let me know if you prefer not to have paper copies, and we can save the paper. If you are like me and a little more comfortable with paper to take notes, you are more than welcome to keep getting paper copies. Just let me, Ms. Welden, or the Committee secretary know, so we can have enough copies for everyone. One of the new rules in the Assembly Resolution 1 standing rules this session is the protocol for approaching the dais. If you would like to speak to someone during a quick break or before/after a hearing, you can signal them to come up. However, please be courteous to other members who might still be working up here. You should take the visitor off to the side, into a corner, or go into the hallway to converse.

We will now start our agenda items. The United States Forest Service in Nevada will make a presentation.

Jeanne M. Higgins, Forest Supervisor, Humboldt-Toiyabe National Forest, Forest Service, United States Department of Agriculture:

Slides ([Exhibit C](#)) taken in the Humboldt-Toiyabe National Forest will be shown on the screen. Also, a map showing the boundary of the various sections of the Humboldt-Toiyabe National Forest in Nevada and California has been distributed ([Exhibit D](#)). [Ms. Higgins read from prepared testimony ([Exhibit E](#)).

In appropriate places, additional dialogue has been added to these minutes for clarity.]

Chair Carlton:

Let me stop you for a moment. We are trying to avoid the use of undefined acronyms.

Jeanne Higgins:

The acronym "PILT" means Payment in Lieu of Taxes. The payments are provided by the federal government because federal lands cannot be taxed.

[Ms. Higgins continued to read from prepared testimony.]

Chair Carlton:

The Resource Advisory Committees (RAC) are very effective. If you can provide us with some more information on them, I will share it with our colleagues.

Jeanne Higgins:

I would appreciate that and will do so. Thank you very much. The presentation I just made was all I intended to cover today, and I would be happy to answer any questions.

Chair Carlton:

Are there any questions?

Assemblyman Ellison:

The Secure Rural Schools and Community Self-Determination Act of 2000 and the PILT authorization took me three years of work to try and secure. The Title II authorization was for Elko County and some of the other rural counties for schools and roads. Elko County submitted its applications a long time ago, and they still have not been approved. The other problem is the money is going to run out if the application does not get reauthorized. The PILT has another year and a half left before the funding ends. Unless it gets reauthorization, reimbursements will revert to the existing formula.

Another problem I want to talk about is the roads and trails management plan. Elko County is in a strong dispute with the Forest Service over the plan. I am hoping we can get the problems resolved shortly, but we currently seem to be at a stalemate. We asked for another extension and that was denied. Can you explain where we are in those negotiations? Also, a lot of people do not know the roads and trails in your proposed plan are closed unless there is posted signage saying they are open. We have a real problem with the roads being closed. Can you elaborate on that situation?

Chair Carlton:

I would like to make an addendum to the question. In the past, people have been using roads that were never really roads in the first place. They thought they were roads because they were never blockaded. It is a very confusing issue to a number of us on the Committee.

Jeanne Higgins:

That is correct. Over time while managing the national forest, we did build many roads. However, there were also many user-created roads within the national forest. We do not know the location of many of those roads although some of them had been used historically for a very long time. In this effort to map the roads and trails, it is our intent to try to identify as many of those roads as we can, so we can determine whether or not they should remain available for public access. It is important to us that we understand how people have used the forest. We do not want to cut people off from going to places that they have historically visited.

It is quite a change. We recognize there is a huge amount of public education that is going to have to occur before we get to the place where people do understand the change. Our primary focus is on education first. When the final motor vehicle use map is finished, it is our intention to use the map as our enforcement tool. The problem is most people do not know how to read a map. Through education, we want to help people locate where they are on a map and know which roads are open to them. If a road is open, it will look like a road, and they will know they can go there. This is a long, ongoing process. We do intend to update the maps annually or when we have new information that suggests the maps need to be updated. Because this is the first time we are trying to create the road maps, people are frustrated. People believe if they do not get the map right this time, it may mean they will lose access to that road. I do understand their concerns.

There will be opportunities in the future to update the maps. We are trying to figure out the best method to do that, so we can have an open process for people to use. We expect in the near future we will be updating the road maps for the counties that are already working with us. Lots of concerns have been highlighted by people from Elko County, and we are hoping to address those issues. We would like to see Elko County enter into cooperating agency status with us and allow us to work more closely with them.

Chair Carlton:

Do you know when the first maps will be available?

Jeanne Higgins:

Maps have been available of the Carson District for five years. However, we discovered when we issued those first maps there were a lot of roads people used that were not on the maps. We are going to be starting a process to involve the public in updating that map. Maps are available of almost all the districts except those districts within Elko County. We are in the process of getting through the first round with them.

Assemblyman Anderson:

Does the Forest Service have a timber sales program in Nevada? And if so, which local governments share in that revenue?

Jeanne Higgins:

Timber harvesting in Nevada is relatively limited. Any timber harvesting we do is along the eastern Sierra Front. Most of the revenue from the national forest comes from grazing and other types of permits.

Chair Carlton:

Could you expand on the grazing permits?

Jeanne Higgins:

There are over 260 animal unit months (AUM) of grazing across the state. The animals counted include cattle, sheep, horses, and goats. Each permit has a certain assessed amount for each animal unit. Of that amount, 25 percent does come back to the state, and grazing permits generate the most revenue. Did I answer you?

Chair Carlton:

Yes, you did. In one of my first sessions, I learned about animal units. Can you refresh my memory on the definition of an AUM?

Jeanne Higgins:

An AUM is a cow-calf pair grazing.

Assemblyman Munford:

Is Mt. Charleston part of the National Forest?

Jeanne Higgins:

It is part of the Humboldt-Toiyabe National Forest. It is also a national recreation area called the Spring Mountains National Recreation Area. It is considered a district, but it has a special designation so it is managed differently than many of our other districts within the forest. Its primary focus is recreation and to provide habitat for certain endemic species.

Assemblyman Munford:

Is Boundary Peak part of the national forest?

Jeanne Higgins:

Boundary Peak is part of the Inyo National Forest.

Assemblyman Munford:

That is the highest peak in the state and Mt. Wheeler is the second highest. What is its district?

Jeanne Higgins:

It is in the Great Basin National Park.

Assemblyman Goedhart:

Are you working with Nye County? Lorinda Wichman out of northern Nye County has been doing a road survey identifying the historic roads that are in use. Has that relationship been working out well?

Jeanne Higgins:

I believe so. We certainly welcome Lorinda's opinion. At the end of 2008, District Ranger Steve Williams issued a decision on travel management in the Austin-Tonopah District which included Nye, Lander, and Eureka Counties. That decision was upheld by the forest supervisor. If the county identified roads it believes the Forest Service missed in its assessment, the agreement was the Forest Service would consider those roads for inclusion. The county has been doing an extensive survey, and they are bringing many of those roads to our attention.

Assemblyman Goedhart:

On the eastern side of the Humboldt-Toiyabe Forest, south of Austin, by the Champie allotment, there is a road called Jefferson Canyon. A few years ago, the Forest Service took an enormous backhoe out there and dug immense pits right in the middle of the road. Boulders, the size of Volkswagens, were also put in the roadway. That work prevented people from getting to the top of the Toiyabe Range. The Forest Service said they had to block the way to the top because four wheelers were going along the top of the peaks. The end result was four wheelers began making their own new road to the top. We talked to the ranchers and farmers in the area, and they said they received no notice that the Forest Service would be doing that work. This incident happened about six or seven years ago, so I applaud you for your efforts to solicit local input to achieve a positive collaborative effort as we move forward.

I also wanted to know if the Forest Service ever got around to paying Wayne Hage for his federal court adjudicated decision.

Jeanne Higgins:

No comment. We are still in litigation, so I cannot comment on the situation.

Assemblyman Goedhart:

I asked because it applies to Mr. Hage and some of my other constituents.

Jeanne Higgins:

I understand that.

Assemblyman Goedhart:

I was not asking about the specifics of the settlement. I just wanted to know if the case has been settled.

Jeanne Higgins:

The case has been appealed to the circuit court. Again, since we are still in active litigation, I cannot speak to it.

Assemblyman Goedhart:

Thank you.

Jeanne Higgins:

I think the answer to your question is probably no.

Assemblyman Hansen:

You are a land management agency, is that correct?

Jeanne Higgins:

That is correct.

Assemblyman Hansen:

One thing I have noticed over the years is land management agencies have begun to take on law enforcement responsibilities. You mentioned road enforcement, and I understood from what you said it will begin after everyone gets the maps. What agency will be responsible for that enforcement? Will it be the Forest Service, the county sheriffs or another agency? If I get a ticket for trespassing would I be prosecuted in the county, or is there a Forest Service court system? How does it work?

Jeanne Higgins:

We have federal law enforcement officers who have jurisdiction within the national forest. In some cases, we have agreements with county law enforcement to share in the law enforcement responsibilities. Whichever law enforcement officer issues the ticket is what determines which court will be used. If it is a federal law enforcement officer who issues the ticket, the defendant would appear in federal court. In a case like this, the court of jurisdiction would be in Reno or Las Vegas.

Assemblyman Hansen:

Are those administrative courts, or are they traditional courts with a jury trial option? What are my rights? I am curious because in Nevada we elect our judges and sheriffs. We have a check and balance system to protect people from abusive law enforcement practices. Yet, when we are suddenly confronted by law enforcement agents that we have not elected and they are operating on state lands, the jurisdiction is removed from our system of checks and balances. Up until a couple of years ago, no land management agency had the authority to do law enforcement.

Jeanne Higgins:

Actually we have had law enforcement officers for my entire career with the Forest Service, and I have been with the agency for 30 years. What happened prior to my time, I am not sure. There is a code of federal regulations which officers have the authority to enforce. They are limited in their jurisdiction to the code of federal regulations, but they do have authority to enforce laws within the national forest system. When there are agreements with other law enforcement agencies, there are often dual responsibilities.

Assemblyman Bobzien:

I would like you to go into depth on the Forest Service's involvement in the Nevada Pinyon-Juniper Partnership project. I believe it is a wonderful story about collaboration with local communities moving forward in eastern Nevada to address the problems occurring with the pinyon-juniper expansion. Also, the project will determine how the pinyon-juniper expansion will impact water sources and wildlife habitat.

Jeanne Higgins:

We have a forest service researcher in Nevada, Robin Tausch, who has spent his entire career studying the pinyon-juniper woodlands. We are fortunate to have his research available. His research has shown that pinyon-juniper woodlands have expanded almost exponentially within the State of Nevada. Pinyon-juniper woodlands play a very important role in the ecosystem, but historically their range was not as extensive. Consequently, the trees are

encroaching upon sagebrush habitat which in turn impacts sage grouse populations. The trees also affect some of the state's grasslands. We recognize the need to restore the habitat balance in the national forest and on other public lands. We are working with several partners in the Pinyon-Juniper Partnership to work across the entire landscape instead of just working within administrative boundaries to address the issue. Pinyon-juniper expansion has been an issue for a long time because an acre of pinyon-juniper is costly to the environment. Historically, the trees have been used for fence posts and firewood. Pinyon pine nuts are also collected, but other than that, there is very little commercial timber harvesting value.

Finding a way to treat pinyon-juniper woodlands has been very challenging. There has been some discussion about using the wood as a biomass fuel for generating energy. We are exploring options to reduce the size of pinyon-juniper woodlands, so we can restore sagebrush habitat. Some funds have been provided by the Southern Nevada Public Lands Management Act (SNPLMA) to complete forest treatments, especially in eastern Nevada around Ely. The treatments are going well, and we are in a position to start treating some larger landscapes.

Assemblyman Kite:

Thank you for trying to reduce the fuel loading in the Clear Creek area west of Highway 395 in Douglas County. It has been a problem that has needed to be taken care of for a long time. About 90 percent of my district is within national forest or Bureau of Land Management (BLM) jurisdiction. There is not a lot of signage notifying people which land agency has jurisdiction. Does the national forest service control the lands west of Highway 395, and the BLM control those lands to the east? On both sides of Highway 395, there is a paucity of signage.

Additionally, I have two other questions. First, is there any resolution on the scenic designation status for the Carson River?

Jeanne Higgins:

No, there is no resolution.

Assemblyman Kite:

Secondly, is the agency testing a new fire retardant that is supposed to be cheaper, better for the land, and made in the United States? Are you familiar with this new fire retardant?

Jeanne Higgins:

No, I am not, but I am anxious to hear about it.

Chair Carlton:

You now have an assignment to find out about it, and bring the information back to the Committee.

Assemblyman Kite:

I know a little bit about it which is why I asked. It is my understanding the agency is testing it at the Minden-Tahoe Airport in the next couple of weeks. With the Lake Tahoe Basin as close as it is to us, fire retardation is very important. Also, a large part of the Lake Tahoe Basin is in my district, and my constituents are interested in fire protection information. I will also ask the BLM people the same question.

Chair Carlton:

I served on the Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency and the Marlette Lake Water System for a number of years. The Lake Tahoe Basin is not just important to the state but also to the whole country and the world. It is a unique place, and we all care about it. We have finished the first round of questions. Are there any more questions?

Assemblyman Ellison:

Elko County is interested in becoming part of the collaborative roads and trails partnership, and hopefully it will get back to the table to get the problems resolved.

Are you going to mention the Gardner Spring maps, and will they be used in the creation of the new Forest Service road map? Also, will the agency be using the *Revised Statutes of the United States* (RS) section 2477 public roads law?

Jeanne Higgins:

I am not sure I know what you mean by saying the Gardner maps.

Assemblyman Ellison:

They are maps created many years ago. At that time, every road in Elko, Humboldt, and Eureka Counties was inventoried. The Gardner maps are on record at the Elko County courthouse, and we are trying to get those maps included in the listing of existing roadways.

Jeanne Higgins:

If we do not already have the maps, we would appreciate receiving them.

Assemblyman Ellison:

You do have copies of them.

Jeanne Higgins:

Then, we are utilizing all of the resources that have been brought to our attention to determine where the roads are located, and which ones might have had historic use. As far as RS section 2477, I can not speak a lot to that.

Chair Carlton:

Can you explain to us what RS section 2477 is referring to?

Jeanne Higgins:

It means Revised Statutes section 2477, but I should defer the explanation to my colleague in the BLM for a more detailed meaning. The intention of RS section 2477 was to recognize historic roads that were in place prior to the establishment of the national forest.

**Jeff Marsolais, Acting Forest Supervisor, Lake Tahoe Basin Management Unit,
Forest Service, United States Department of Agriculture, South Lake
Tahoe, California:**

That is correct. For example, mining roads would be included.

Jeanne Higgins:

The intention of RS section 2477 is to recognize that those roads have historical significance. However, they may not be within the jurisdiction of the national forest. It is a lengthy process, usually involving the court system, to establish the validity of those roads. What is important to us is to receive any information available about all roads. That way we can make a reasoned decision on what roads are important for public access. If there are resources that you do not believe we have utilized, we would like to have access to them.

Assemblyman Goedhart:

I am interested in hearing more about your biomass fuel plan for the pinyon-juniper woodlands. What could help the plan is the biomass fuel credit. The credit gives you a federal reimbursement for biomass fuel a person delivers. The reimbursement is currently about \$40 to \$45 per ton. Are you currently bringing some of that biomass to a burn plant or not?

Jeanne Higgins:

The largest expense with the biomass fuel is the cost of transporting it to the plant. Where there is a market, or where there is an interest in transporting it, the material goes to a biomass fuel plant.

Assemblyman Goedhart:

Are you transporting any of it now or not?

Jeanne Higgins:

In Ely, to my knowledge, we are not transporting any of the biomass fuel because there is not a source available to handle the transportation. Part of the discussion we are having in eastern Nevada is to develop a transportation source and market. Those discussions are ongoing.

Assemblyman Goedhart:

There are a lot of unemployed truck drivers with trucks available that could benefit if there was some source of funding to pay a transportation fee. It would help a lot of people who are unemployed. In the Carson City area, we have a Department of Corrections biomass burn facility, and I have done business with them for a number of years. It would be an opportunity for you to explore.

Jeanne Higgins:

We are. I appreciate your feedback, and we are well aware of the opportunity there might be to create jobs.

Assemblyman Goedhart:

It would provide biomass fuel to produce green energy.

Chair Carlton:

Are there further questions? [There were none.] Our next presenter will be Mr. Marsolais with the Lake Tahoe Basin Management Unit

Jeff Marsolais:

I would like to clarify that I am currently the "Acting Supervisor" which is a key distinction. I have only been at the Lake Tahoe Basin Management Unit since November, and when the permanent director is named, I will be back at my position with the Inyo National Forest. If there are any questions about the Inyo National Forest, I can probably answer them for you as the presentation proceeds. However, today I am focusing on the Lake Tahoe Basin, and I have provided you with a copy of our Mission Statement ([Exhibit F](#)). I have also included a Forest Fact Sheet 2011 ([Exhibit G](#)).

As many of you know, Lake Tahoe is a very special place. My presentation will be in contrast to the information you just heard from Ms. Higgins about the Humboldt-Toiyabe National Forest. There are 6 million plus acres in the Humboldt-Toiyabe National Forest; whereas, the Lake Tahoe Basin manages only 154,830 acres. In 1973, the unit was carved out of three national forests. They are: the El Dorado, the Tahoe, and the Humboldt-Toiyabe National Forests.

One reason for the unit's creation was the heightened awareness about the degrading of lake clarity, and the need for the most intensive action on the ground to prevent further deterioration. Seventy-five percent of the land base in the greater Lake Tahoe Basin area is managed by the Forest Service. Through a variety of land exchanges, approximately 3,300 additional parcels have been added over the last several decades. In addition, large tracts of the national forests have been added to the initial boundaries of the unit. All of which creates an interesting mix of public lands in the management unit. Most of you are familiar with SNPLMA, and understand the profound role the Act has played in ongoing environmental improvements in the Lake Tahoe Basin. I will touch on those during my presentation, and then I will answer any questions.

Like all national forests, we have a land management plan. The plan we are using dates from 1988, but we are currently in the process of updating the plan. In the federal planning world, the process of updating is similar to the National Environmental Protection Act of 1969 (NEPA) driven planning. We will go to the public; we will scope the parameters; we will share alternatives; we will provide some details; and we will provide opportunities for comment. Eventually, we will get to a decision. I call your attention to this because the end product will guide the future of the Lake Tahoe Basin Management Unit for approximately the next 10 to 15 years. Within the next four to six months, our draft alternatives will be available to the public. The stakeholders will have 90 days to comment on the draft before our staff evaluates those comments and moves the forest plan to its next stage. It will help start an important dialogue on a lot of different topics with the public.

In 1997, declining lake clarity caused alarm across the country. Both the President and the Vice President came out to put their stamp of approval on a new approach for addressing the environmental impact issues surfacing at the lake. That led to the establishment of the Lake Tahoe Restoration Act of 2000, which is a formal partnership with the states of California and Nevada, several federal government agencies, the Washoe Tribe of Nevada & California, local stakeholders, and others. The partnership makes it possible for us to make substantial improvements in the way people think and talk about the national

forests. We are also improving the management of river reaches, clean water, and timber harvests.

That was an important beginning. When the SNPLMA came into being, we had a remarkable opportunity to fund many important improvements on the ground, on the public lands, and within the cities to address the actual impacts. That program has guided the focus of the Lake Tahoe Basin Management Unit for the last ten years. In comparison to the Humboldt-Toiyabe National Forest, we have nearly 284 permanent and temporary employees. We typically hire about 150 seasonal employees for the field season. We are a very small unit with a huge program of work. A lot of funding is coming in from a variety of federal and local sources, and we are making substantial improvements on the ground.

I would like to address a few of those improvements. One of our major programs is improving forest health through fuel reduction. The recent Angora Fire in 2007 caused real alarm to all of the stakeholders within the Tahoe basin. For the last decade we have operated a robust program, but the 2007 fire gave us a heightened awareness, and we have increased our fuel reduction efforts. The NEPA had been complete for some time, so in the last month we have authorized a contract for fuel reduction. We are removing the small-diameter material from the forest which is the main threat to forest health.

Since 2005, we have worked to channel more than \$17 million into funding for local fire districts. Our primary partner has been the Nevada Fire Safe Council. This year, the unit helped make nearly \$500,000 available for fiscal year 2010 in State Fire Assistance grants. Three Nevada projects were direct beneficiaries of those grants. The funding available for fuel reduction work is about \$8 million to \$10 million annually. The footprint we are able to treat with those funds is about 651 acres, and approximately 350 of those acres are in Nevada. Community areas have top priority for fuel reduction treatments. We are beginning the planning for treating national forest system lands around Incline Village. We are analyzing approximately 9,000 acres, and we propose to treat about 3,600 of those acres.

We are also working hard on our ecosystem programs. Within the Lake Tahoe Basin, it was determined that one of the largest threats to the lake was river reaches. The deterioration of these river reaches, some reaching back to the Comstock logging era, was damaging the lake clarity. Our ecosystem staff has been working in partnership with the Water Quality Control Boards, the Tahoe Regional Planning Agency (TRPA), and others to put some very sophisticated solutions in place to restore the river reaches back to their natural functioning condition. As an example, at High Meadows off Pioneer Trail, we are

continuing to work this summer to restore the flow of Cold Creek. This is also another example of a project that is funded through the SNPLMA. You can see the direct and real benefits on the ground from these projects.

In the past few years, preventing the proliferation of aquatic invasive species has become an important and growing issue in the Lake Tahoe Basin. Our ecosystem program is focused on the problem. It is not only the threat from the quagga and the zebra mussels, but also invasive species that are currently in the lake itself, including Asian clams and curly milkweed. The Forest Service is just one of many stakeholders in a growing effort to eradicate these invasive species from the lake. Recently, our team working on the Lake Tahoe Basin won the National Forest Service award for their work on invasive species.

Also, we administer approximately \$10 million in erosion control grants which come from the SNPLMA. This funding is pass-through funding authorized by the Lake Tahoe Restoration Act. The grants are competitive and have helped communities plan, design, implement, and monitor erosion and sediment control projects on nonfederal lands. Their efforts will ultimately benefit the health of the federal lands and water quality. Each year these funds are managed as a line item through the SNPLMA program. It benefits communities which have no other source of available funding.

My last topic is recreation and interpretative services. We have one of the highest number of visitors to a forest in Region 5—averaging 4.4 million visits annually. Lake Tahoe, the scenery, and the world-class recreational activities are a huge draw, and we are within a day's drive of nearly 25 million people. Having Lake Tahoe as a destination creates an incentive for people to visit, and we are trying to manage it to the best of our ability. We have lots of beaches, and we have acquired many of them in the last five to ten years. We are making those beaches public, and they have become so popular that we are now struggling to find safe visitor parking. We are working with our partners to develop solutions to the problem. We have 12 campgrounds and 7 resorts. We are using the best management practices available to ensure that those uses are consistent with environmental efforts. A big visitor draw for the Lake Tahoe region is the Heavenly Mountain Resort. It uses approximately 4,800 acres of national forest land. The resort management is very proactive about finding ways to improve the land to minimize and mitigate its environmental impact on these public recreational lands.

We also have roads and trails. Fortunately, we completed a travel management plan about five years ago, and I just signed the updated map for the entire Lake Tahoe Basin. The differences between the original map and this revision are some technical corrections, and the addition of some legal roads which were

omitted on the first map. We found the missing roads through an exhaustive search process. Travel management will never end in the national forests, and it is important for us to continue to look at the needs of the public to access their lands. The Lake Tahoe Basin is a very different type of national forest unit. It has partnerships, collaborating stakeholders, and regulatory agencies which are playing key roles in helping us be successful on the ground. Another partner, the TRPA, has been helping us move forward in streamlining both our fuel reduction program and fire protection efforts. I would be happy to answer any questions you might have.

Chair Carlton:

I have spent a lot of time at Lake Tahoe, and I can see the differences and changes. I am happy to hear the water clarity is improving. We need to keep that stewardship in the forefront.

Assemblyman Goedhart:

What is the total dollar amount of SNPLMA funds that has been spent in the Lake Tahoe Basin? Also, can you divide the funds up showing how much was devoted to undergrowth containment, and how much went towards buying land?

Jeff Marsolais:

I can give you some rough estimates. We are actually entering the last round of SNPLMA funds going into the Lake Tahoe Basin. The federal commitment was \$300 million. Funds left in the program totaled approximately \$34 million to \$35 million for this last round. Each year, we have been devoting approximately \$8 million to \$12 million of those funds to hazardous fuel reduction, and we have a lot of projects still on the books. These are funded projects that are ready to go as we complete the NEPA plan. Discussions with representatives for the NEPA are a good example of the step-by-step process we have to go through. We have done the analysis, and now we are entering the phase on the projects where we are able to obligate funds. Next, we will mobilize our contractors who are already on Indefinite Delivery, Indefinite Quality contracts to complete the work. In the next few years, you will see even greater activity as we complete the NEPA statements on additional projects, and move into the contract window.

Assemblyman Goedhart:

Do ground operations and land acquisitions split the available funds in a 50/50 ratio?

Jeff Marsolais:

I believe most of the SNPLMA funds from that \$300 million appropriation went directly to projects on the ground. I will double check that and get back to you. We have another land acquisition effort which is outside of the SNPLMA funds.

Assemblyman Goedhart:

Have you purchased the old Ponderosa property?

Jeff Marsolais:

I do not believe that acquisition has been completed, but I will get back to you with the specifics.

Assemblyman Hansen:

You mentioned 650 acres were included in the fuel reduction project, and 350 of those acres were in Nevada. You also mentioned you had spent \$8 million to \$10 million annually on that project. Did I understand that correctly?

Jeff Marsolais:

In 2010, we finished treating 657 acres of which 350 acres were in Nevada. We are doing the work on both sides of the California/Nevada state line. We do not have one primary area where we are spending the funding. It is hard to articulate the amount of money being spent on the NEPA projects that we will be mobilizing next year and the following year. The \$8 million to \$10 million annual figure is an average. Sometimes our contracting makes it possible to only treat a certain number of acres. In 2009, we more than doubled the 2010 acreage that was treated. Some stands of forest require multiple entries to complete the treatment process. The first year, it might be hand-thinning of the forest; the second year, it might be some mechanical work and piling of the debris we could not remove; and the third year, it might be burning that piled material. It is hard to give you a single snapshot. There are footprint acres treated, and then there are acres treated which are different projects because we go into these stands on multiple occasions.

Assemblyman Hansen:

Do you know how much it costs per acre to do the treatment? Did you say \$8 million to \$10 million to treat 650 acres? Is that correct?

Jeff Marsolais:

If I said that, it is not a direct correlation. I can get you a unit acre cost because we have those. In the earlier discussion we were talking about biomass fuel plants. When the Carson City plant went off-line, we had to start

hauling our biomass to Honey Lake. It more than doubled the cost for the haul alone. It is not \$8 million to \$10 million to do the 650 acres.

Assemblyman Hansen:

Do you have any commercial harvest operations in the Lake Tahoe Basin?

Jeff Marsolais:

We mainly remove small-diameter trees. The contractors we work with are hauling the fuel to biomass plants at Honey Lake and other locations. Some of the biomass goes to a timber mill in Loyalton. I would not call it a truly commercial harvest because it is all small-diameter material.

Chair Carlton:

Thank you for your presentation. The next presentation will be made from the Bureau of Land Management (BLM), Nevada representative.

Amy L. Lueders, Acting State Director, Nevada State Office, Bureau of Land Management, National System of Public Lands, United States Department of the Interior:

I have distributed a Briefing Book ([Exhibit H](#)) handout to the Committee which provides more specific details and figures on the quick overview I am going to present.

The BLM plays a significant role in most activities that go on in Nevada. We manage approximately 48 million acres of public land. That figure jumps to about 59 million acres when the subsurface acres are included. To manage this acreage, we have six district offices throughout the state. They are the primary land managers who are making the decisions on the ground. There are offices in Carson City, Winnemucca, Battle Mountain, Elko, Ely, and Las Vegas. The state office is in Reno. Each district has at least two field offices which are physically located at the district office. Also, we have two remote location offices in Caliente and Tonopah.

The large amount of public lands within this state significantly impacts economic development and quality of life. The figures for PILT payments are on page 8 of [Exhibit H](#). The American Recovery and Reinvestment Act (ARRA) provides more than \$28 million in funding. Those monies funded 42 projects throughout the state. We obligated \$27.1 million to them for projects in every district. We completed 18 of those projects. Most of that work was done by contractors providing jobs for local workers.

One highlight of public management in Nevada is the leadership role this state plays in the development of renewable energy. It is one of the highest priorities

of Ken Salazar, Secretary of the Interior, and Bob Abbey, Director, BLM. In 2010, we were the only state that had renewable energy fast-track projects in each category. These are the permitted projects that have stimulus grants in the form of loan guarantees. Those categories are: solar, wind, transmission lines, and geothermal. This state has a diversity of renewable energy resources, and the transmission line was the first one built on public lands in recent history.

In 2011, renewable energy projects will continue to be a high priority for the BLM. Currently, we have 48 solar projects ongoing in various stages of completion, 53 wind proposals that include some in the testing stage, 5 additional proposed transmission projects, and 6 proposed geothermal projects.

The geothermal program is a leader in the development of clean, renewable energy, and it is an asset to the state because the power it generates is a reliable base load. We have the largest geothermal program in the BLM with 14 geothermal power plants on public land. They have a production capacity of 342 megawatts (MW) and employ about 550 people. Four more power plants will be approved in 2011. If approved, those plants would generate 373 MW of power and create almost 1,500 construction jobs and 634 permanent operation and maintenance positions. The geothermal royalties are shared by the federal treasury, the state, and the counties. Twenty-five percent each goes to the counties and the federal treasury. The remaining 50 percent goes to the state. In 2009, the royalties paid to the state amounted to \$1.2 million.

Nevada also produces oil and gas, and we lease large amounts of public lands for oil and gas development. One of the state's oil wells is the largest producer in the west. We hold four production sales a year and leasing and yearly rental revenues in 2010 amounted to \$868,834. Those receipts are divided equally between the state and the federal treasury. In 2010, we produced just over 400,000 barrels of oil.

Nevada has the largest mining program within the BLM. We have 204 mining plans of operations, 308 active exploration notices, and 234,000 active mining claims which is 48 percent of the BLM total. With the high price of gold, we are seeing very active exploration, lots of new projects, and mine expansions. It is important for us to provide opportunities for mining development while ensuring no long-term liabilities from their operations will affect future generations. We do full bonding on mines and today hold over \$1 billion in reclamation bonds. In addition to gold, Nevada has silver, copper, minerals such as lithium, and other rare earth metals. We also have the largest mineral

materials program within the BLM. Sand and gravel are mined the most. From 2008 to 2010, we sold nearly 14 million tons of those materials for about \$11 million. The sand and gravel are used for infrastructure growth, particularly in the Las Vegas Valley.

There is a long history of mining activity in this state. That legacy has left us with abandoned mine lands, mine hazards, open shafts, and open adits. We have a public lands safety program to deal with the problem of abandoned mines and mine hazards. We have one of the most successful programs in the BLM, and it would not be possible without the partnerships we have. They allow us to work quickly and cost effectively. The state Division of Minerals, counties and private stakeholders make it possible for us to complete a lot of work to make public lands safe for visitors. From 2009 to 2010, we inventoried more than 12,000 sites and temporarily secured 10,000 of those with fences and warning signs. We also permanently closed 750 sites throughout the state. Our focus has been on those areas with the highest visitor use.

We have the largest grazing program in the BLM. There are six grazing districts, 654 grazing authorizations, and 794 grazing allotments. We work closely with our permittees to address issues such as drought and other problems to ensure the health of the public lands.

We have a wild horse and burro program which is the largest within the BLM. It garners a lot of attention and generates a lot of passion. However, we have a significant overpopulation of wild horses on our public lands. The state is divided into 84 herd management areas, and statewide the appropriate management level is 12,688 head. To date, the current herd population is about 20,000 to 22,000 which includes the 2010 foal crop. Drought, overpopulation, and lack of forage impact our rangelands and animal health.

We have been actively gathering excess animals from the range. Our gather operations are not without controversy, but we believe the program is critical to ensure the health, integrity, and the long-term viability of our rangelands and the wild horses themselves. We have a legal responsibility to ensure there is adequate forage and water for the remaining wild horses. We are committed to animal welfare and treating those animals humanely. This year we have been very aggressive in the implementation of birth control procedures to adjust sex ratios to slow the reproduction rate. The effect will be a reduction in the frequency of the gathers. To improve the accuracy of our head counts, we are using a newly established United States Geological Survey model because the agency has been criticized about the accuracy of our pre- and post-gather counts.

We have had wild horse sanctuaries proposed within the state, including the one sponsored by Mrs. Madeleine Pickens. Her proposed sanctuary project is in Elko County. We are working with her, and we are open to entertaining public and private partnerships as a way to cost effectively ensure the long-term and humane treatment of wild horses. Any process we go through will require analysis under the NEPA. It will be a very open, public, and interactive process. At this point, we do not have a detailed proposal from Mrs. Pickens or any of the other sanctuary proposals, so we cannot initiate any NEPA process.

We operate a wildfire retardant program. Mr. Kite, I will try and follow up on getting information on the new fire retardant program that you mentioned. Fortunately, in the last years, we have had low wildfire activity. In the 2010 fire season, we had 203 fires which burned 15,974 acres. Of those fires, 125 were lightning caused and 78 had human cause. We actively work with our partners in a fire suppression resources program to reduce hazardous fuels and treat invasive species. In our partnerships with the Nevada Fire Safe Council, we work on reducing hazardous fuels around communities and private properties. We also issued about \$500,000 in fire assistance grants for rural fire departments throughout the state. Our 2011 pre-suppression budget is \$14 million, and we will have similar resources available.

Also, the BLM manages lands that are areas of special designation. Some are these: national conservation areas such as the Red Rock Canyon; wilderness areas which are designated by Congress; wilderness study areas; areas of critical environmental concern; and segments of three national trails.

More details on these can be found on page 23 of [Exhibit H](#). A copy of the Secretarial Order No. 3310, which is also known as the Wild Lands Order, is under Attachment 2 in the back of [Exhibit H](#). It has generated a lot of interest in the western states. It gives the BLM a process for updating its wilderness inventory information and evaluating lands with wilderness characteristics in the land-use planning process. The goal is to identify lands with wilderness characteristics (LWC). The guidelines have not been finalized, so the program has not been implemented. The LWC designation is not for wilderness areas or for study areas. It is closest to our areas of critical environmental concern, and we identify these areas through the rangeland planning process which is open and public. This order restores balance to the management of public lands by affirming that the protection of the wilderness characteristics is a high priority for the BLM and an integral component of its multi-use mission. There will be options for how those lands will best be managed.

Another function for the BLM is ecoregional landscape planning and sage grouse conservation efforts to determine if they should be listed as an endangered

species. We are very motivated to ensure the sage grouse will not be listed. We are working closely with our state partners, nonprofit organizations, and federal agencies to protect the species. We can best do that by landscape planning projects on a large scale to protect sage grouse habitat.

We currently have three projects forming the framework for all of the allocations and allowable uses of public lands. We are at the draft stage on the Winnemucca District Resource Management Plan. Battle Mountain has just recently initiated its land-use planning process, and it has had its first public scoping meetings. The Southern Nevada District Office is doing a targeted plan revision and has initiated the process. I appreciate that my colleagues from the Forest Service recognized the SNPLMA. The BLM plays many roles with the SNPLMA. One of our roles is banker. All of the funds generated and used in Humboldt-Toiyabe National Forest and at Lake Tahoe came from the sale of public lands managed by the BLM in the Las Vegas Valley.

Hopefully, you have received a copy of our most recent annual report for the SNPLMA. Allocations of funds are highlighted in that document. The SNPLMA directs us to sell lands within a certain legislatively prescribed boundary, and those funds go into the SNPLMA account. To date, that legislation has generated \$3 billion. Of that amount \$150 million goes to the Nevada General Education Fund, and \$287 million goes to the Southern Nevada Water Authority. The remaining 85 percent is deposited in a special account with the Secretary of the Interior who authorizes and approves appropriations for projects. Page 35 of [Exhibit H](#) details all the information on the SNPLMA. It is a major asset for the state to have, and it provides funds to federal agencies and local governments for a multitude of activities. By working with the Secretary of Housing and Urban Development, we have made millions available for affordable housing throughout the state at a price that is less than full market value. We are proud to have had two affordable housing projects in Las Vegas.

The BLM in Nevada is entering a new era finding new uses for public lands. One example is renewable energy projects. The partnerships we have in place, which we will continue to build upon and further develop, will be critical in addressing public land issues as we move forward. As we develop competing uses and demands for the public lands, issues will become more complex. We look forward to working with the Legislature and the public to define how we can best use our public lands. I will be happy to answer any questions.

Chair Carlton:

Thank you very much for an informative presentation. Today, we will not open up discussion on the wild horse issue.

Amy Lueders:

I can make myself available at another time if you would like to discuss any of the topics in greater detail.

Chair Carlton:

Thank you, we appreciate your offer, and I am sure we will be getting some phone calls.

Assemblyman Bobzien:

I would like to revisit your pages in the handout on sage grouse conservation efforts. I appreciate your statement about working together with all the agencies to prevent a listing of the sage grouse as an endangered species. When do you expect to finish the statewide sage grouse core-habitat mapping project? I understand there is an ongoing effort to develop guidelines to determine what, if any, impact geothermal projects will have on the sage grouse population. Is there some sort of consistency in how your agents review those projects basing your observations of Wyoming's experience with sage grouse in their oil and gas fields? Recognizing that the impacts are different, their experiences may help us in setting up a "cheat sheet" of what needs to be looked at.

Amy Lueders:

There have been a number of mapping efforts to determine the extent of the sage grouse habitat. We have recently completed working on a map of potential habitat areas with the Nevada Department of Wildlife (NDOW). That first round will be finished at the beginning of March, and then we will work with NDOW on the population data. By summer, we will have a robust map that will show both habitat and population densities. It will make it possible for us to focus our priorities.

We have been looking at the geothermal impacts with project proponents and NDOW. Our Washington, D.C. office is similarly working on guidelines to ensure consistency of procedures throughout the BLM in evaluating and minimizing the impact of different kinds of land-use activities.

Assemblyman Goedhart:

I have a question about the Renewable Northwest Project (RNP). I live in the Amargosa Valley which is in the southern Nevada BLM region. I believe the RNP plan was last completed in 1994. I did not move to Nevada

until 1996, so I have asked the people in the local office how often amendments are made to the RNP plan. They answered they do not want to open up the RNP plan because it is like opening a "can of worms." It has been 16 years, and we still have no idea when the plan will be open for amendments. There are 22,000 acres slated for disposal according to the 1994 documents. However, since the last third of the twentieth century, only two parcels of land have been sold to a private individual. I was that individual. It took me over one thousand hours of work to be able to buy the land at a fair market value because the BLM had not completed the Environmental Impact Statement (EIS). I had to go out and do the EIS for every single area in Clark County. However, Clark County can go out there with a pocketful of money, be the high bidder, and buy the land.

Currently the way it works, a potential purchaser outside Clark County has to fund and do the research on years of accumulated studies. Then, you are told the land is not suitable for disposal. It is an enormous risk for an individual to take on and finance with an unknown end result. It would help economic development if we could streamline that process.

Amy Lueders:

Originally when the process was established, we were under the impression the land-use plans would work for 20 years. Clearly, in the world we live in now, nothing is the same five years later. That is part of the challenge we have in keeping our land-use plans fresh and updated. The Las Vegas office is initiating a limited scope plan amendment. I believe they recently had the scoping meetings, so I would encourage you to work with Mary Jo Rugwell, our Southern Nevada District Office manager. I can ask her to give you a call to provide you more detail on the process. It is a challenge for us to stay current on our planning, especially in the Las Vegas Valley, because the land-use plans are in constant flux. It is difficult for us to address the evolving demands within the area.

Assemblyman Goedhart:

Currently, in Amargosa Valley it is more difficult to buy a piece of BLM land than it is to buy land in Clark County which sounds counterintuitive.

Assemblyman Munford:

What is the future of rare earth minerals in this state? Is the lithium mine located near Winnemucca?

Amy Lueders:

Chemetall Foote Corporation has a mine near Tonopah, and there is quite a bit of exploration in the Winnemucca area.

Assemblyman Munford:

On an international and national basis, what is the future for rare earth minerals?

Amy Lueders:

I am not an expert on rare earth minerals, but it is my understanding the current supply comes from China. The supply has been significantly restricted by China. There is a lot of international interest in investing in rare earth minerals throughout the world, and investors are looking for additional diversified sources of rare earth minerals. It is a global issue. There has been a lot of exploration in Idaho for rare earth minerals, and I think the exploration in this state will be expanded.

Assemblyman Munford:

If we can find further deposits in Nevada, the mines could be an important contributor to this state's revenue stream.

Amy Lueders:

Potentially that is possible.

Assemblyman Munford:

It could be almost as much as gold.

Amy Lueders:

I do not know the market value for rare earth minerals. It is not a source of revenue that anyone predicted a couple of years ago. We are learning to be more dynamic in meeting the demands of a continually changing market.

Assemblyman Munford:

I have heard some comments about it.

Chair Carlton:

We are going to be having the mining association here for a presentation, and I will make sure they know you are particularly interested in rare earth minerals, so they can cover it for you.

Assemblyman Hansen:

There was a wildfire symposium at University of Nevada, Reno a couple of years ago. The BLM insisted on using native plants for reseeding projects. Later it was pointed out, most of those projects ended up being covered with cheatgrass and other noxious weeds. Has the BLM reevaluated their reseeding policy and begun using forage kochia and Siberian wheatgrass which are different nonnative species?

Amy Lueders:

We do not use only native grasses. It depends on the site and its potential for regrowth. In some of the lower precipitation zones, to be successful, we often have to look at reseeding in stages. First, we use nonnative grasses to ensure we do not have encroachment from noxious weeds. Once we have established that population, we are able to introduce native grasses into the mix. We look at a combination of seeds analyzing which types of seeds would be most effective at that site. We are not locked into solely using native plants. There are some places where we use only native species because we have had very good recovery using them. We want to make sure we have something in the interim growth period to stabilize the soil and avoid having other species encroach. In many cases, it becomes a two-stage process in order to ensure native plant recovery.

Assemblyman Hansen:

I want to put in a plug for forage kochia. It is a great plant.

Chair Carlton:

Are there any other questions?

Assemblyman Ellison:

I served on the northern Nevada RAC for two years, and I enjoyed it and learned a lot. I encourage you to recruit more people and establish more RACs. They provided broad knowledge about the kinds of plants that were growing in the pre-fire period. The RAC I was on was an effective and diverse group.

Amy Lueders:

We have three RACs in this state. One covers the Mojave area in the southern part of the state, one is in the northeast, and the northwest one covers Carson City and the Sierra Front. They are a tremendous asset to the BLM because they bring us different perspectives. They are very active and funnel public concerns to us. The RACs make it possible for us to do a better management job.

Chair Carlton:

Is there any public comment? [There was none.]

We are adjourned [at 3:33 p.m.].

RESPECTFULLY SUBMITTED:

Judith Coolbaugh
Committee Secretary

APPROVED BY:

Assemblywoman Maggie Carlton, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Natural Resources, Agriculture,
and Mining

Date: February 10, 2011

Time of Meeting: 1:42 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	Jeanne Higgins	Slide Show Photos
	D	Jeanne Higgins	Map of Humboldt-Toiyabe National Forest
	E	Jeanne Higgins	Testimony
	F	Jeff Marsolais	Mission Statement
	G	Jeff Marsolais	Forest Fact Sheet 2011
	H	Amy Lueders	Briefing Book