

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

**Seventy-Ninth Session
April 11, 2017**

The Committee on Natural Resources, Agriculture, and Mining was called to order by Chair Heidi Swank at 1:36 p.m. on Tuesday, April 11, 2017, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada, and to Room 107, Health Science Building, Great Basin College, 1500 College Parkway, Elko, 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/App/NELIS/REL/79th2017.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Heidi Swank, Chair
Assemblywoman Lesley E. Cohen, Vice Chair
Assemblyman Chris Brooks
Assemblywoman Maggie Carlton
Assemblyman John Ellison
Assemblywoman Sandra Jauregui
Assemblywoman Lisa Krasner
Assemblywoman Robin L. Titus
Assemblyman Justin Watkins
Assemblyman Jim Wheeler
Assemblyman Steve Yeager

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Susan E. Scholley, Committee Policy Analyst
Randy Stephenson, Committee Counsel
Nancy Davis, Committee Secretary
Cheryl Williams, Committee Assistant

OTHERS PRESENT:

Pam Robinson, Policy Director, Office of the Governor
Richard Perry, Administrator, Division of Minerals, Commission on Mineral Resources
Jason King, State Engineer and Administrator, Office of the State Engineer, Division of Water Resources, State Department of Conservation and Natural Resources
Greg Lovato, Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources
Dennis Bryan, Vice Chairman, Commission on Mineral Resources
David von Seggern, Chair, Toiyabe Chapter, Sierra Club
John Griffin, representing Pure Energy Minerals
Terry Page, Director of Regulatory Affairs, Enel Green Power North America, Inc.
Angela Dykema, Director, Office of Energy, Office of the Governor
Richard W. Harris, Private Citizen, Reno, Nevada
Thomas M. Dudas, Private Citizen, Las Vegas, Nevada
Susan L. Fisher, representing Nevada Mineral Exploration Coalition
Dave Shaddrick, President/Director, Nevada Mineral Exploration Coalition
Leo M. Drozdoff, representing Albemarle Corporation
Chris C. Mahannah, representing Dajin Resources Corporation
Dylan Shaver, Director of Public Affairs, Nevada Mining Association
Jaina Moan, Executive Director, Friends of Gold Butte
Meghan Wolf, Store Manager, Patagonia, Reno, Nevada
Andy Maggi, Executive Director, Nevada Conservation League
Shaaron Netherton, Executive Director, Friends of Nevada Wilderness
Karl Gustaveson, Private Citizen, Mesquite, Nevada
Aurora Driscoll Barker, Account Executive, The Rogich Communications Group, Las Vegas, Nevada
Fawn Douglas, Private Citizen, Las Vegas, Nevada
Byron Brewer, Private Citizen, Carson City, Nevada
Genine Aiello, Private Citizen, Lincoln County, Nevada
Robert Adams, representing Motorcycle Racing Association of Nevada
Patrick V. Naranjo, Resource Coordinator, The Intersection, University of Nevada, Las Vegas
Checko Salgado, representing the Friends of Basin and Range
Steven Rowland, Private Citizen, Las Vegas, Nevada
Dagny Stapleton, representing Nevada Association of Counties
Wade Poulsen, General Manager, Lincoln County Water District

Varlin Higbee, Lincoln County Commissioner
Doug Busselman, Executive Vice President, Nevada Farm Bureau Federation
Patrick Donnelly, representing Center for Biological Diversity

Chair Swank:

[Roll was called and standard rules of the Committee were reviewed.] I will open the hearing for Assembly Bill 52.

**Assembly Bill 52: Revises provisions relating to dissolved mineral resources.
(BDR 48-258)**

Pam Robinson, Policy Director, Office of the Governor:

I appreciate your giving us the opportunity to talk about Assembly Bill 52. With me today to introduce the bill section by section is Richard Perry, Administrator of the Division of Minerals; Jason King, State Engineer and Administrator of the Division of Water Resources; and Greg Lovato, Administrator of the Division of Environmental Protection (NDEP).

As you know, Governor Sandoval is a big proponent of clean, renewable energy. It has been an important part of his economic development and diversification programs for the state. Development and exploration of lithium is an important component to that plan. He proudly stated in his State of the State Address that Nevada is home to the only operating lithium mine in the United States. Nevada also houses the second-largest deposit in North America, which is located in Humboldt County.

Albemarle Corporation, a production facility in Silver Peak, Esmeralda County, has been in operation for well over fifty years and continues to be an important economic engine in that area. The lithium that is produced at the Albemarle facility is found in a dissolved mineral brine. The claim block for the deposits in Humboldt County is owned by Lithium Nevada Corporation. Those deposits are more of a clay.

Nevada has a unique opportunity to play a leading role in the development and expansion of lithium exploration and production. With the growing need for lithium locally, nationally, and internationally, it became apparent that regulations needed to be developed to permit lithium brine exploration, to ensure our groundwater and geothermal resources are protected, and to provide certainty for exploration companies that want to do business in Nevada.

There are a few things that need to be addressed in the bill. We decided that we had to be clear that this is a bill to permit and regulate exploration and not production. We had to define what a dissolved mineral borehole is and what a dissolved mineral resource is. We had to provide that the person who is drilling the boreholes is a licensed well driller. We need to require a permit to drill an exploratory well, also by a licensed well driller. We also need to develop regulations jointly between the Division of Water Resources, the Division of Environmental Protection, and the Division of Minerals to make sure that we address the specifics of safe and responsible exploration for lithium in Nevada.

There was a lot of discussion about how to get there and how we were going to accomplish those goals. I convened a working group that is made up of agency professionals and the industry to start to work through these issues and develop a path forward. As a result of those meetings, the other issue that generated a tremendous amount of discussion and attention was that any existing production facility would continue to operate under its existing statute.

The amendment you have before you today ([Exhibit C](#)), which will completely replace the bill as it was introduced, is partially a result of those meetings. It is the most recent draft that all the parties of the working group had an opportunity to review. I would like to tell you that everyone is completely on board and in consensus with this amendment, but, unfortunately, they are not. There are still some outstanding issues that have not been agreed to. That being said, I believe we have made a lot of progress, and I have a commitment from the group that we are going to continue to work toward the right end to do things that are right for Nevada and this resource.

The Governor believes that it is important to develop the right policies and procedures to protect Nevada's water and geothermal resources and also provide certainty to the exploration community and encourage further development of lithium in our state. Thank you again for this hearing. I look forward to continue working with the industry and my agencies on the bill to find the right solutions for this important industry.

Richard Perry, Administrator, Division of Minerals, Commission on Mineral Resources:

Thank you for the opportunity to review the amendment on A.B. 52 ([Exhibit C](#)). I am going to go through the amendment section by section and hit the highlights. This is intended to be a separate chapter of *Nevada Revised Statutes*.

Section 1. Ownership of dissolved mineral resources, including lithium brines, is determined by applicable federal and state laws. Those are the general mining law, Nevada property rights laws, and Nevada water laws. This bill does not propose to change any of these.

Section 2. A definition of a dissolved mineral resource, which would include lithium and other dissolved minerals that are found in brines, and specifically excludes geothermal.

Section 3. A definition of a dissolved mineral resource exploration borehole. A borehole is an open drill hole, which is drilled to sample rock or take geologic information. In this definition, it specifically allows for limited sampling of water from the borehole for chemical analysis, but does not allow a borehole to be pumped like a well.

Section 4. A definition of dissolved mineral resource exploration well, which is a borehole that has been completed with casing as a well. This definition allows for the well to be used for sampling and pump testing to determine if a resource or reserve of dissolved minerals is present.

Section 5. A definition of dissolved mineral resource exploration project. This definition links the term "project" to that of the federal land manager, in this case, the Bureau of Land Management (BLM) Department of the Interior. A "notice-level" project is an exploration project that disturbs five acres or less on federal lands, and a "plan-level" project is one that disturbs more than five acres. Those are definitions that are used in permitting exploration projects on federal lands in Nevada. Both are permitted by the BLM under federal regulation. When explorers apply for these notice- or plan-level project activities with the BLM, they are required to reference state regulations for drilling and plugging of boreholes or wells, and must provide reclamation bonds before initiating exploration activities. We have worked through this language with the BLM State Office to ensure its applicability.

Section 6. Allows for a reasonable loss of water subject to the terms of the permit, but no more than five acre-feet to be pumped and sampled from a dissolved mineral resource exploration project. This could be in one or more permitted exploration wells. Anything more than five acre-feet is subject to appropriation procedures of the State Engineer. Why five acre-feet? Based on our discussions with explorers, five acre-feet provides enough sampling and pumping to determine if a mineral resource is present. A mineral resource is a mining term with the intent of defining the surety of what the resource is. To determine a mineral reserve, current information indicates 30 to 40 acre-feet of water must be pumped from multiple wells over a sustained period. That would require the appropriation procedure.

Section 7. A permit must comply with the water pollution control regulations of NDEP.

Section 8. Explains the permit process, including information that is required in the permit application for a dissolved mineral exploration well.

Section 9. Describes the process of approving or denying a permit, the time the permit is valid, and a public hearing process if the Administrator determines there may be conflicts or to guard the public interest.

Section 10. Requires a licensed water well driller in Nevada to drill any exploration boreholes or wells for dissolved minerals. Because these boreholes and wells are drilled in playas where fresh and brine aquifers may exist, drillers who are licensed better understand how to seal strata and plug boreholes. This is also applicable when drilling in active geothermal areas.

Section 11. Sets a fee of a maximum of \$500 to permit a well. The Commission on Mineral Resources will determine this fee in rule-making, not to exceed this amount, but enough to administer the program.

Section 12. Describes that if this legislation was enacted, then the Division of Water Resources and Division of Minerals would jointly develop the regulations. The regulations would address the following: permitting, boreholes, types of casing and completion for wells, sealing of strata to prohibit groundwater contamination, and how to address exploration for dissolved minerals in areas of active geothermal activity.

Section 13. This section deals with penalties.

We have worked together with our sister agencies, the Division of Water Resources and the Division of Environmental Protection, in development of this bill and have reached out to the industry, the federal regulators, and the environmental community for input and advice in this process.

Thank you for the opportunity to bring this bill forward. Our goal with this proposed legislation is to provide a clear permitting path for lithium exploration, while ensuring protection of Nevada's groundwater and geothermal resources. [Also provided but not mentioned are ([Exhibit D](#)) and ([Exhibit E](#)).]

Jason King, State Engineer and Administrator, Office of the State Engineer, Division of Water Resources, State Department of Conservation and Natural Resources:

Our office is in support of A.B. 52 as amended. Along with the Division of Minerals, the Division of Environmental Protection, the State Department of Conservation and Natural Resources Director's Office, and the Governor's Office, we have been working with the industry on the amended bill that is before you today. As Mr. Perry has just testified, Nevada's regulatory agencies are very familiar with mining exploration when it comes to hard rock minerals. However, dissolved mineral exploration is new and very different. In hard rock mining exploration, water is needed primarily for the drilling of the exploration well. On the other hand, in exploration for dissolved minerals, lithium in this case, the mineral is in the very water or brine that the exploration companies are pumping. I believe strongly that regulation of dissolved mineral exploration wells is better managed under the Division of Minerals rather than our office due to their extensive experience with geothermal fluids and exploration well design.

Our office believes that A.B. 52 will bring clarity to the exploration process, while keeping the need for production water within our office's purview. It is important to get on the record that any consumptive use of water needed in producing the dissolved mineral will require the mining company to obtain a water right pursuant to our water law.

Greg Lovato, Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources:

I am here to testify in support of A.B. 52 as amended. The Division of Environmental Protection (NDEP) participated in discussions with involved agencies, the Governor's Office, and industry representatives on the amended bill.

It is important to point out that the bill would not affect existing statutes and regulations administered by NDEP, including those that apply to mining exploration projects with a surface area disturbance over five acres. Existing requirements for exploration reclamation permitting, plans, and bonding will remain in place. The Division of Environmental Protection permitting and bonding requirements for lithium production, whether through brine evaporation or other process techniques, will still apply under the proposed amendment. This includes the requirements for site characterization, facility design and

construction oversight, minimum design criteria, monitoring and reporting, inspection and enforcement, approval of closure plans, and where applicable, underground injection control permitting for any reinjection of fluids are unaffected by this legislation, as well as the separate permit public notice and appeal processes for NDEP permits.

Assemblyman Yeager:

I want to get a sense of what the water situation is in Clayton Valley now and if you anticipate granting any more permits for water in that area.

Jason King:

Clayton Valley is one groundwater basin out of 256 statewide. Perennial yield is the amount of water we believe replenishes the aquifer year in and year out in perpetuity. The perennial yield of Clayton Valley is 20,000 acre-feet. We have approximately 22,000 acre-feet committed in that basin. I will tell you that right now we have pending applications in that basin for lithium exploration by a few companies in our office. They have been protested, and we have to analyze those protests and the basin and make a determination.

Assemblyman Yeager:

In section 11 of the amendment, I noted that there is a \$500 fee that is anticipated. I am wondering if that fee is going to be enough to cover the administrative tasks necessary to run this anticipated program.

Richard Perry:

We have modeled this basically after what is in the geothermal chapter for a geothermal observation well. The current permit fee for that is \$300 to review the design, the depth, and the field inspection. We always field-inspect a permitted well, either when it is being drilled or when it is being completed. We have 1 1/2 inspectors who cover the geothermal and oil wells in the state. It is our intent to wrap this into that, so the inspector is looking at any type of permitted lithium exploration wells also. We anticipate that around 25 of these will be drilled each year. That would generate approximately \$7,000 to \$10,000. We believe that would easily pay for the time and the travel necessary to permit and inspect the wells.

Assemblyman Wheeler:

The amendment allows five acre-feet for exploration. That is 1.629 million gallons on one acre. When it says five acre-feet, is that over 1 acre, 20 acres, or 100 acres in order to complete the exploration?

Richard Perry:

The five acre-feet is a volume of water. The volume of five acre-feet is limited by the definition of a dissolved mineral resource exploration project. As I mentioned, section 6 of the amendment has a definition that is linked to the exploration permit issued by the BLM. For instance, a notice-level permit would receive five acre-feet. Notice-level means that it is within an owner's claim block and is disturbing less than five acre-feet. It cannot have multiple notices within the same project or adjacent to each other. That is the best definition that we could come up with. It would limit an owner to five acre-feet for an exploration project.

Assemblyman Wheeler:

So, if an owner has 100 acres, then he would be allowed five acre-feet for the exploration, which would be 32,585,000 gallons pulled out. Is that correct?

Richard Perry:

No, that means, if he has a 100-acre claim block or 100 acres of private land, that owner would be entitled to five acre-feet total for that entire project.

Assemblyman Ellison:

Are there any kinds of chemicals or anything to pollute the water that is put back down in the hole?

Richard Perry:

In the exploration for lithium brine, there are no chemicals that are injected into a hole. The borehole is sampled with bailers that bring up a water sample. The water is sent off for assay to determine the lithium and other dissolved mineral content in it. In a dissolved mineral resource exploration well, the well is completed and pumped for a certain amount of time to determine the yield of any type of aquifer that is down there; also to sample the solution to determine how much lithium is there. There is no injection of chemicals into the ground in exploration for lithium.

Assemblyman Ellison:

I am getting emails claiming there is a chemical being used. It is good to get that on the record that there are no chemicals being used.

Assemblyman Watkins:

Getting back to the permit fee of \$500—it seems lower than most permits that the Division of Minerals issues. Are permit fees intended to reflect the enforcement costs for that particular activity?

Richard Perry:

Yes, they are intended to fund the permitting activities and the field inspection activities, which are essentially the enforcement activities.

Assemblyman Watkins:

If we enact A.B. 52 and have this regulation moved over to the Division of Minerals, would the permitting and regulations that the Division of Minerals institutes apply to this activity if it is on federal land?

Richard Perry:

Yes, it would, because the federal government does not have, under water law, the authority to regulate water wells.

Chair Swank:

I will now move to support for A.B. 52.

Dennis Bryan, Vice Chairman, Commission on Mineral Resources:

The Commission became aware of the rush in lithium brine exploration last year during regular public meetings and tracking of lithium claim activity by the Division of Minerals. We also became aware of the unique issues of lithium exploration as they relate to the need to drill and sample subsurface brines for lithium content. We became aware of the regulatory gap that exists regarding the depth and design of exploration boreholes and wells in these potentially lithium-rich basins where there are both fresh and brine aquifers, and potential conflicts in areas where there are active geothermal fields.

The Commission discussed and deliberated these issues last year at two separate meetings. The Commission believes there should be a streamlined process for lithium exploration that allows an exploration entity to drill and sample brine for lithium content, then apply for water rights if needed for production. This would treat lithium exploration in a similar fashion to exploration for other minerals in Nevada. Comprehensive drill hole design regulations are needed to drill deep exploration wells that could penetrate both fresh and brine aquifers, or penetrate geothermal resources. Assembly Bill 52 is an attempt to accomplish both of these goals.

According to the *Nevada Mineral and Energy Resource Exploration Survey 2015/2016* published by the Nevada Bureau of Mines and Geology, lithium explorers spent \$20.9 million in Nevada in 2016. This activity leads us to believe there may be other potential lithium targets out there in Nevada besides the one producing deposits in Clayton Valley. The technology to extract lithium from brines is evolving, and it is important we encourage exploration in our state, as the United States is very much a net importer of lithium from overseas.

Assembly Bill 52 is a bill about responsible mineral exploration. It is not a bill about water rights or about trying to resolve any perceived tie between water law and mineral law. Those laws already exist.

We want to produce all of the lithium used at the Tesla gigafactory here in Nevada, capture the jobs and tax revenues. I urge you to seriously consider this bill.

David von Seggern, Chair, Toiyabe Chapter, Sierra Club:

On behalf of our over 5,000 members, I wish to express support for A.B. 52, which is addressing dissolved minerals exploration in our state. Although we were fairly comfortable with the bill when it was first introduced, the changes that have been made by the Division of Minerals, mostly due to the input of its administrator, make this bill firmly protective of the waters of Nevada. We realize that there may be some minor consumptive use in the exploration stage, and this is adequately addressed. We are satisfied that lithium brine extraction for production will require purchase of or application for water rights and be treated as any other water needs.

You might be asking why the Sierra Club would be endorsing a mining bill. We are strongly in favor of electric vehicles, which require lithium batteries. The Governor has already provided a boost for that by bringing Tesla to northern Nevada and advocating for electric vehicle charging stations across the state.

There are additional beneficial applications of lithium that is in batteries for storage and backup. Within this vision, we realize that the increased production of lithium batteries will require new sources of the mineral and that exploration for those sources is the necessary first step. We will examine any full production of lithium in the future with respect to all applicable environmental and water laws.

There is one fact that has not been made yet today. As they do the mining at Clayton Valley, do the math and you will find out it takes 1,000 gallons of water to make each pound of lithium. I put that in comparison with commodity crops like corn, rice, or wheat that take about 200 gallons of water.

As we go forward, we may be challenging the water resources of this state, and I hope the lithium industry will earnestly look at ways to extract lithium without consuming so much water. [Also provided written testimony ([Exhibit F](#)).]

John Griffin, representing Pure Energy Minerals:

First, we would like to thank the Governor for his leadership on this important issue and putting Nevada at the forefront of lithium exploration. I would like to thank everyone who was in the working groups. That has been fun and productive. Pure Energy is in support of the bill, and we look forward to working with all parties moving forward on this issue. As was mentioned, there is not consensus yet, but we will continue to work on it.

Terry Page, Director of Regulatory Affairs, Enel Green Power North America, Inc.:

We are in support of A.B. 52 as amended. We are a large geothermal operator in this state, and we stand on the comments we submitted to the Nevada Electronic Legislative Information System (NELIS), ([Exhibit G](#)) and ([Exhibit H](#)).

Angela Dykema, Director, Office of Energy, Office of the Governor:

We are supportive of A.B. 52 as amended. It definitely aligns to our agency mission of ensuring the wise development of Nevada's energy resources in harmony with local

economic needs. We recognize the importance of lithium exploration and the associated economic development this emerging industry brings. We want to ensure that Nevada is positioned to lead the nation in development of this resource in a smart, straightforward, and efficient way.

It is important to ensure protection of our domestic geothermal resources as we encourage lithium exploration. By implementing appropriate regulations for this unique, locatable mineral, we can effectively allow for responsible exploration without conflict to our existing renewable resources or undue burdens associated with water rights permitting. We urge you to consider passing A.B. 52.

Richard W. Harris, Private Citizen, Reno, Nevada:

I am a private mining attorney. I have practiced mining law for 41 years. I represent four clients that together have located 2,683 placer claims for lithium exploration and development. That is a bit over 25 percent of the recently located claims in and around Clayton Valley. One of my clients, in conjunction with its Australian partner, recently raised \$5 million for exploration in the Clayton Valley area. Presently, none of this money can be spent. I say again, this money cannot be spent because our exploration efforts have been blocked by a company called Rockwood Lithium, Inc., that is using the water laws of the state of Nevada to suppress any rival mineral development.

We tremendously support the amended A.B. 52. This will allow not only \$5 million to be spent, but tens of millions of dollars more in contracts, employment, and general development in Esmeralda County and other areas of Nevada.

Thomas M. Dudas, Private Citizen, Las Vegas, Nevada:

I wish to put on the record a report by RB Milestone Group in reference to lithium processing ([Exhibit I](#)). Attention might be paid to page 5 that mentions what Mr. Harris may not have mentioned. I believe he may be representing Posco, a South Korean company, as well as SRI International. Page 5 discusses how they received U.S. Department of Energy development of lithium processing and that all the funds went to the University of British Columbia. It is foreign concerns doing the exploration in Nevada. I think A.B. 52 is very much needed in order to hold at least some type of reins on the exploration and oversight.

Susan L. Fisher, representing Nevada Mineral Exploration Coalition:

The Nevada Mineral Exploration Coalition is an organization made up of over 200 members, some very small companies and some larger companies that do just mineral exploration. What they do is go out and look for the minerals and then look for the money to prove up those claims. What I would like to do is turn the testimony over to David Shaddrick, who is the president of the Nevada Mineral Exploration Coalition. I would also like to thank the Governor's Office and the various parties for convening the meetings. As mentioned earlier, they were good-hearted meetings, even when there was opposition. We have been in favor of this bill from the start. Mr. Perry explained the bill to us last fall at our annual convention. We decided this is something that really needs to be in statute, to clarify law and help promote the exploration of lithium in Nevada.

Dave Shaddrick, President/Director, Nevada Mineral Exploration Coalition:

I want to briefly address why A.B. 52 is important to our members. One of the most important parts of bringing exploration, and therefore money and jobs, into Nevada is the international perception of Nevada as being a good venue for exploration activities. Generally, we have very little trouble doing that because it is a very exploration-friendly state. However, last year, when I was in Vancouver trying to convince people to bring their companies to Nevada, I was made aware that there was a big problem with the new lithium rush. The problem was that permitting times were very long and the permitting process was very unclear. I found the same thing when I went to Toronto. Assembly Bill 52 appears to me to be a very good solution to this problem. It addresses only exploration and does not address any problems with production. We are very much in favor of it.

Chair Swank:

I will now move to opposition.

Leo M. Drozdoff, representing Albemarle Corporation:

Albemarle Corporation is the leading producer of lithium in the world, and it is the owner of the Silver Peak lithium facility. It is the only operating lithium production facility in America.

While we are in opposition to the most recent proposed amendment of A.B. 52 provided by the Division of Minerals, we do want to state on the record that we support the stated goal of A.B. 52, which is greater exploration of lithium in Nevada. Additionally, we appreciate what the Governor's Office did by forming a working group to identify issues and seek to find solutions or compromises. Albemarle was represented by Richard Perkins and Greg Ferraro on that working group. Finally, there are some provisions of A.B. 52 that we do support, most notably the development of a permitting program associated with dissolved mineral resources. We also appreciate that the current version of A.B. 52 is focused on exploration.

With that said, we appreciate the opportunity to share some of our perspectives and concerns with A.B. 52. We have submitted to NELIS our suggestions ([Exhibit J](#)) to the amendment that Mr. Perry reviewed ([Exhibit C](#)).

A key factor, unlike other locatable minerals such as gold and silver where the mineral is in the land, lithium is in brine; the mineral is in the water. Therefore, water rights are fundamental to lithium exploration, and A.B. 52 must affirm this fact. However, the current version of A.B. 52 does not do so.

Our state agency structure includes resource agencies and advocacy agencies. The purpose for those distinctions was that resource agencies should manage resource issues whose missions are to protect the state's natural resources. The State Engineer and the Division of Environmental Protection are resource agencies, while the Division of Minerals is an advocacy agency whose chief responsibility is to encourage and assist the mining industry. We do believe, however, that the Division of Mining could be part of an enhanced regulatory program.

One of the problems that currently exists in Clayton Valley is that there are not advanced public notice provisions on what is going on. The current version of A.B. 52 does not have any advanced public notice provisions. In our version ([Exhibit J](#)), in section 9, we did suggest modest public notice provisions, which would give all interested stakeholders an understanding of what may be occurring on the landscape.

The greatest difficulty that has been going on to date is that boreholes are being drilled in Clayton Valley, and they are not being monitored. This bill, while it defines boreholes, does not make any suggestion about how the borehole and well programs are going to work. We think that direction should be provided by the Legislature. We think the penalty amount is very small.

Chris C. Mahannah, representing Dajin Resources Corporation:

Dajin Resources is a Canadian lithium exploration company. I am a civil engineer with roughly 30 years' experience in water rights and a licensed water rights surveyor before the Nevada State Engineer. Dajin has lithium claims in two valleys, Teels Marsh and Alkali Flat. They currently own water rights in Teels Marsh and pending applications in Alkali Flat, which are protested. They are also actively exploring in other basins for which they do not have water rights. We have submitted written comments ([Exhibit K](#)).

Initially we stated a neutral position, however, after the Chair's instructions we are somewhat in opposition. On the face of the bill, it appears that the intent is to encourage lithium exploration; however, as it is currently written, it could easily have the unintended consequences of doing just the opposite. That is specifically in regard to the five acre-feet limitation. It is our client's belief, and others in the industry, that five acre-feet is not enough to define the resource. Let me make an analogy with a geothermal field. When you drill a well for geothermal and you get to temperature, that is not enough to determine whether you have a resource. You need to flow it; the same thing for lithium. Sampling for lithium per five acre-feet may be enough, but you need to test pump these aquifers for a certain volume for a certain time frame that we feel well exceeds five acre-feet.

The way the legislation is currently drafted, if a client wanted to pump 5.1 acre-feet, he has to go to the State Engineer to acquire water rights. That can be a long, drawn-out process. The protest hearings can take years. Assuming he prevails and gets a permit, then he has to go to the Division of Minerals and seek another permit. There is a second opportunity for folks to protest and oppose the permit through the Division of Minerals. We feel, as currently written, this could be detrimental to lithium exploration in the state. The State Engineer's Office, through its mining and milling waiver and appropriate process, is equipped to continue to handle mineral exploration in Nevada.

Chair Swank:

Is there anyone else in opposition to A.B. 52? Seeing no one, I will move to neutral.

Dylan Shaver, Director of Public Affairs, Nevada Mining Association:

We are an association of nearly 450 companies of the entire mining supply chain, including a handful of folks who testified in support of this bill and the people who testified against it. I am here today in support of the concept of this bill. Instead of addressing what may be good or bad about it, we want to talk about the regulatory structure in the state as it stands today.

Because of the hard work of some of the agencies here today, Nevada is a worldwide leader in mining regulation. When we have an international mine exposition, which comes to southern Nevada every four years, we have international delegations who want to meet with our members and us to talk about how they can better regulate in their own jurisdictions. This is something that Nevada can be proud of. It is a shining star in mining regulations. All that said, and despite the hard work that these agencies do, there are questions that this particular bill raises with preserving that status.

As an association, we are just not certain that moving this regulatory function into an agency that is largely economic development is appropriate to preserve that shining star status. The Division of Minerals does great work. Mr. Perry and his people are phenomenal. The direction of that agency in *Nevada Revised Statutes* (NRS) 513.073 is to encourage and assist in mineral exploration and production. There is an education role. They have a role to maintain a registry of the mines in the state and record their production. They have to enforce NRS Chapter 522, which is the oil and gas chapter. We want to ensure that, in the long run, whatever happens with this bill, that Nevada's status as an international leader in this type of regulation is maintained.

Chair Swank:

Is there anyone else in neutral on A.B. 52? [There was no one.] Are there any closing remarks from the bill sponsor?

Pam Robinson:

Thank you for bringing this forward. I know we have had multiple conversations about this and are trying to get to a point where we can have some agreement. We commit to continue to keep working on this, and we will keep the Committee in the loop as we go forward. I urge you to take favorable action on A.B. 52.

Chair Swank:

I will close the hearing on A.B. 52. [Also received but not mentioned is ([Exhibit L](#)).] I will move into a work session at this time.

Assembly Bill 416: Requires the Division of Environmental Protection of the State Department of Conservation and Natural Resources to establish a program to use certain settlement money received from the Volkswagen Corporation and its subsidiaries. (BDR S-1050)

Susan E. Scholley, Committee Policy Analyst:

Assembly Bill 416, sponsored by Assemblywoman Swank, relates to the Division of Environmental Protection (NDEP), using certain settlement monies from the Volkswagen Corporation litigation. This bill would direct NDEP, in consultation with the Department of Motor Vehicles and the Department of Transportation, to develop a program to distribute money from the Mitigation Fund arising out of the settlement. These funds are to be distributed to both residents and local governments. The Mitigation Fund is to be used for the replacement of certain older vehicles with new diesel, alternative fueled, or all-electric engines.

Several amendments were proposed and discussed at the hearing. The attached mock-up incorporates the various amendments that were proposed and discussed to subsection 3 of section 1. There are four amendments. The first one changes "manufactured not later than 2005" to engines manufactured not later than 2006.

The second amendment would add school districts to the list of priority entities.

Number three is being withdrawn on the advice of legal counsel due to constitutional issues.

Number four, which is at the request of NDEP, would clarify that they have grant and subgrant authority ([Exhibit M](#)).

Chair Swank:

I will entertain a motion to amend and do pass.

ASSEMBLYWOMAN TITUS MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 416.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

Any discussion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

I will take the floor statement, since it is my bill. [Assembly Joint Resolution 4 was pulled from the work session.] [Assemblywoman Cohen assumed the Chair.]

Assembly Joint Resolution 4: Requests the National Research Council of the National Academy of Sciences to conduct an independent scientific and economic analysis of the current management practices of the Colorado River, the impact of these practices on water security, flood protection and biodiversity recovery, and alternative management options, including draining Lake Powell and decommissioning and destroying the Glen Canyon Dam. (BDR R-101)

Vice Chair Cohen:

I will open the hearing on Assembly Joint Resolution 13.

Assembly Joint Resolution 13: Expresses the support of the Nevada Legislature for the enactment and use of the Antiquities Act and the designation of the Basin and Range National Monument and the Gold Butte Monument in this State. (BDR R-1061)

Assemblywoman Heidi Swank, Assembly District No. 16:

I am here to kick off the discussion with Assembly Joint Resolution 13 and the Antiquities Act. This resolution supports the designation of Basin and Range National Monument as well as the Gold Butte National Monument in Nevada. These were recently designated. I brought forth this bill as someone who has spent a good amount of time in both of those places. I used to serve on the board of the Friends of Gold Butte and have had many fabulous hikes out there to see the amazing petroglyphs and the open spaces that make up Gold Butte. I also had the luck of being able to visit *City*, which is the large-scale sculpture that is in the middle of Basin and Range National Monument and was created by the artist Michael Heizer. It was quite an amazing trip. It involved floods, flat tires, lightning strikes, and almost frostbite, but all in all, a fabulous adventure, and we all had a great time.

I was also able to take my sister and her husband out to Shooting Gallery, which is near Austin, when they were visiting from Minnesota. It is a discontinuous part of the Basin and Range National Monument. I can testify that if you have a vehicle with the clearance of a Subaru Outback, you should stop about 1/4 mile from Shooting Gallery and hike in. There was a lot of pushing and worry that we were going to have to sleep out there that night.

I think this really speaks to what it is that these national monuments do in our state and what our public lands do in our state, which is, they get us out of the city. They get us out there, away from people, some place where we can really enjoy the outdoors. The Executive Director of Friends of Gold Butte, Jaina Moan, is in Las Vegas. She is going to discuss the Antiquities Act, and then we will be happy to answer any questions.

Jaina Moan, Executive Director, Friends of Gold Butte:

I am here to provide background information about the Antiquities Act. The Antiquities Act was passed by Congress and signed into law by President Theodore Roosevelt in 1906 to protect antiquities on public lands from being looted, stolen and, hence, lost forever.

The Antiquities Act did three things. First, it gave the President of the United States the authority to designate federal lands and the objects of historical and scientific significance on them as national monuments. Second, it mandated a permit system for archaeological excavation and collection. Third, it made it illegal to damage, remove, alter, injure, or destroy monuments and objects of antiquity on federal land.

Since 1906, 16 presidents—8 Republicans and 8 Democrats—have used the Antiquities Act to create a total of 160 national monuments. It is significant to note that of these

designations, 48 national monuments were later given National Park or National Historic Site status, including some of the cherished land we all know and love. Lands that are close to us, such as the Grand Canyon National Park, were first designated a national monument. Zion National Park, Death Valley National Park, and our own Great Basin National Park were first national monuments.

Today, there are currently 129 national monuments in the United States; 99 of these were designated using the Antiquities Act, and 30 were designated by congressional action. In Nevada, we have three national monuments. Two were created using the Antiquities Act, which are Basin and Range National Monument and Gold Butte National Monument. Those are the subject of this resolution. The third, Tule Springs, was designated by Congress in 2014. All three were designated within the last three years.

Overall, the lands and objects that are protected by the Antiquities Act include war memorials, historic buildings, ancient pueblos, cliff dwellings, petroglyphs, and unique underwater habitats. Monuments are in forests, deserts, plains, mountains, oceans, along rivers and coastlines, and they are even located within and near urban areas. Overall, the public lands and waters protected by the Antiquities Act tell America's story and continue to define our country's character.

It is important to note that objects of antiquity and scientific intrigue are intricately connected with the lands that they are found on. So, to protect and preserve them, we must also protect the land. Sometimes this means protecting many thousands of acres. Humans have always traveled across large distances, just as we do today, telling their story as they go. Similarly, vast geological and ecological wonders manifest themselves across large areas and elevations. It is necessary to preserve large spaces to ensure that the connected stories found across the land will tell a complete story of our collective humanity and natural history.

Furthermore, national monuments also preserve our contemporary cultural diversity. There are 566 federally recognized Native American tribes in the United States. Their traditions, songs, and language are intimately linked with the land around them. National monuments protect that cultural heritage.

National monuments are hugely popular. You can talk to anybody; they really love their national monuments. Nationwide polls consistently show public support for national monuments. In Nevada, recent polls from 2016 and 2017 found that 71 percent and 63 percent of Nevadans who responded to the survey, across political boundaries, supported Gold Butte National Monument.

National monuments boost local economies. People like to live, work, and travel in places that are near protected public lands. Those protected lands provide a sustainable economic development opportunity for the local communities that surround them. This is because the resource, the land, that supports the economy is conserved as opposed to extracted and depleted. The resource will always be there, provided we continue to protect it.

To further exemplify the economic benefits to local communities, I want to highlight a 2016 study conducted by the Small Business Majority, which is a nationwide organization that supports small businesses. They looked at ten recent monument designations that occurred within the last eight years. The study found the new monuments delivered \$156 million annually in combined economic benefits to local communities.

It is important to note that a robust and transparent public input process precedes any monument designation. By the time a monument proclamation proposal lands on the President's desk and receives the attention of the White House, it has been thoroughly vetted by the public. These campaigns typically take a long time. In the case of Gold Butte, we have been working on this for 15 years; we had a lot of public support. Our efforts would not have been heard if we did not have the many thousands of people voicing their support for the national monument. I would like to refer the Committee to the written testimony submitted by the Friends of Gold Butte ([Exhibit N](#)). That testimony explains the story of how we achieved the national monument for Gold Butte. I think it is noteworthy to consider all of the public input that has gone into this process.

In closing, national monuments are our heritage, and it is our responsibility to honor and protect them. That is what the Antiquities Act does and why it is so important to uphold and support this policy too. In Nevada, Gold Butte and Basin and Range both needed and deserved the protections that the Antiquities Act gave them. Assembly Joint Resolution 13 is a recognition by the Nevada State Legislature of the importance of our new national monuments and the Antiquities Act. I urge you to vote in favor of this resolution. I would also like to point out that in Las Vegas, you are seeing a lot of yellow sunglasses. That is a sign of support. We have given them to folks who have shown up in support here today. Those in the audience in Las Vegas are here in support of Gold Butte and all of our national monuments and the Antiquities Act.

Vice Chair Cohen:

You mentioned the support of the public. In the resolution, there is reference to some polling that has been done. Can you give us more information about that polling?

Jaina Moan:

Earlier this year, Colorado College issued its new Conservation in the West Poll. This is a poll that they conduct every year, and they have been doing so for the past seven years. They have seven states that they look at. The 63 percent that I quoted in my testimony was from that poll that was taken after the national monument designation. In 2016, the Center for Western Priorities conducted a poll called Winning the West. That is the 71 percent that I quoted. Both polls also asked Nevadans about their experience on public lands and whether they value public lands, and also whether they see public lands as an economic benefit for the state. The majority is in support there. I do not know the exact numbers, but they are upwards of 70 and 80 percent as well.

Assemblywoman Titus:

Have you done any polls of the people whose lives are directly affected by this?

Jaina Moan:

I do not know where the polls were conducted. I know there are many supporters in the Mesquite area, directly surrounding Gold Butte. The Friends of Gold Butte is an organization that was born in Mesquite. We have about 300 to 400 members up there who support our organization and attend our meetings and are actively engaged. I know those folks are in support, and actually, we have a lot of audience members here today who are from Mesquite. They took time out of their day to be here in support of this bill. I have talked to thousands of people who are in support.

Assemblywoman Jauregui:

I think we all know that ecotourism in Nevada is on the rise. It is our duty to preserve our national heritage, and anything we can do to promote ecotourism and get people here is more dollars for our state. You mentioned that some of the national parks started as national monuments. Do you know, on average, how long it takes to turn these into national parks?

Jaina Moan:

It would take congressional action to turn it into a national park. The Grand Canyon was proposed to be a national monument in 1908 and became a national park in 1919. I actually do not know the average amount of time it would take many of these monuments to become national parks. They are gems in our society now.

Assemblywoman Swank:

There are plans for *City*. If you have not googled Michael Heizer's *City*, I highly recommend taking a look at it. It is a place that few people get to go. There is a process they are putting in place that will allow very limited visits there because it is a delicate space. It will be similar to getting a permit to go down the Colorado River. It will take some time to get in there, but there will be more tourism dollars that will come in through visits to *City*.

Vice Chair Cohen:

I will now hear those in support of A.J.R. 13.

Meghan Wolf, Store Manager, Patagonia, Reno, Nevada:

I am here on behalf of the outdoor clothing company, Patagonia. We all value access to wild places where our air, water, and wildlife are safe from pollution and development. We all benefit from the enormous economy generated from the protection of our public lands.

These public lands power a sustainable, homegrown economy. From 2008 to 2011, during the height of the recession, the outdoor industry grew 5 percent every year. Patagonia has been dedicated to helping protect public lands and waters for over 30 years, particularly those places that are too sensitive and too valuable to put at risk from further development.

We support A.J.R. 13 because our business relies on Nevada's public lands for our customers, employees, and our community to get out, to recreate with our families, and to use our products. We have over 500 employees in our service center in Reno, and we have a new, thriving store in downtown Reno. Public lands really are vital to our business.

Vice Chair Cohen:

Can you tell us how big your business is in Nevada?

Meghan Wolf:

I can tell you that our store generates over \$4 million in Reno. The greater company, which is headquartered in California, is nearing \$800 million annually.

Andy Maggi, Executive Director, Nevada Conservation League:

We are very supportive of this resolution and would like to thank Assemblywoman Swank for bringing it forward.

Shaaron Netherton, Executive Director, Friends of Nevada Wilderness:

My organization has been working on the protection of Gold Butte for over two decades. We have done that through long participation in BLM planning efforts, legislative efforts, and through supporting the monument effort. Many other individuals and groups have also been engaged in efforts to protect Gold Butte and Basin and Range National Monuments. I would like to ask for a show of hands, who in the audience supports our public lands and national monuments. [There were many people.] I would like to add one other thing. We know when these areas are designated, it is the first step, and that we have a moral obligation to take care of these places. I would like to give a shout-out to the students from the University of Nevada, Las Vegas and the College of Southern Nevada who have given up their spring break this week and are out in Gold Butte giving back to their public lands through volunteer service. I want you to know that they are doing that and how proud of them we all are. [Also provided written testimony ([Exhibit O](#)).]

Vice Chair Cohen:

I know we certainly have a lot of volunteers throughout the year who are helping to take care of our lands in Nevada.

Karl Gustaveson, Private Citizen, Mesquite, Nevada:

I have been a resident of Mesquite for the last 17 years. One of the things I want to bring up is, first of all, I am very much in favor of A.J.R. 13. From the date I moved to Mesquite I discovered probably one of the most wonderful possibilities for us to do something good for our community. I served on the City Council for a period of time for Mesquite. During that time we had two individual votes on support, whether we support or do not support Gold Butte becoming a national monument or something else to protect it. We were concerned about all the damage that was going on. Both of those votes of the City Council were in favor of doing exactly that. I would be thrilled to see this finally come to fruition.

The economic impact was another big issue that we looked at. We could see millions of cars and planes coming from Las Vegas and people going to Utah to see all the wonderful things just over the border from us. They were not stopping in our area. We thought this would be

a big economic opportunity for our community. We have become a gigantic community of sports. We have baseball players who come from as far away as Canada to participate in our events. We think that, with the number of people we have coming in now and the growth we have in Mesquite, this is very important for us.

Aurora Driscoll Barker, Account Executive, The Rogich Communications Group, Las Vegas, Nevada:

I am here to represent Sig Rogich and The Rogich Communications Group. The Antiquities Act is a vital part of our nation's history as well as Nevada's history. Protecting and preserving great landscapes and artifacts should not be a Republican or Democratic value, it is an American value.

As a company, The Rogich Communication Group has enthusiastically supported both the creation of Basin and Range National Monument and Gold Butte National Monument. We have done so not only because it is the right thing to do for Nevada, but also because we know that our public lands bring billions of dollars in economic value. The landscape in Basin and Range will draw international visitors looking to see the newest and greatest landscape art in the world. Gold Butte will capture tourists and residents alike looking for an undiscovered treasure trove of petroglyphs and an unspoiled vista that is Nevada's piece of the Grand Canyon.

We are happy to add our support to this timely resolution, we thank the sponsor, Assemblywoman Swank, and urge its passage.

Fawn Douglas, Private Citizen, Las Vegas, Nevada:

I am a member of the Las Vegas Paiute Tribe. I am speaking today as a member of the Tribe and as an artist. First and foremost, I want to say that the voice of the Tribe is always the tribal council. Earlier there was a question for Jaina Moan about any polls that were in support of Gold Butte within a 50-mile radius. The Moapa Paiute Tribe, as well as the Las Vegas Paiute Tribe, has drafted resolutions in support of the Gold Butte designation of a national monument.

As you know, Gold Butte is part of our ancestral land. It is in our Salt Songs; it is a part of who we are, part of our culture. When the area was designated, it was such a joyous time for us, for our voices finally to be heard not only as Native American people, but to be working government to government with others to have this area designated. The support of this is vital, and to know that you support us and that we can stand side-by-side in support of this action. I hope you continue to support A.J.R. 13 as I am here sitting for the support of this resolution, not only as a member of the Paiute Tribe but as an artist as well. The area is completely covered in petroglyph art, and the scenery is incredibly beautiful. We want to keep this area pristine and beautiful, not only for our people, or my art inspiration, but for everyone. As anybody who lives in Nevada, you have to support this, it is a part of who we are, this is our beauty, our heritage, and it belongs to all of us.

Byron Brewer, Private Citizen, Carson City, Nevada:

I am a recent transplant to the Silver State. I previously lived in one of the more easterly states with little public land.

In considering where I wanted to live after I retired, I knew it would be in one of the states with a lot of public land, land I already owned. After retirement, I lived in New Mexico for a year and got to see firsthand the impact of two Obama national monuments there. In Taos, the community is as proud as it can be of the Rio Grande del Norte National Monument established in 2013. Las Cruces in southern New Mexico is equally proud of the Organ Mountains-Desert Peaks National Monument established in 2014. When I visited Organ Mountains last spring, the local newspaper was reciting the progress being made getting the monument on its feet: paving roads, reworking drainage, and getting signage put up. Both of these communities had long wanted some kind of conservation designation to announce to the world, "Look what we've got, come visit us." Both areas were blocked by local parochial interests only wanting the status quo.

The potential community impact of national monument designations can perhaps best be seen in the towns around Grand Staircase-Escalante National Monument in southern Utah. This controversial monument was established in 1996, so its economic impact can be more easily seen. Kanab, Utah, is the largest town in the vicinity of Grand Staircase-Escalante National Monument. Kanab is booming. New hotels, eating places, and economic activity are visible everywhere by virtue of visitors' money. In the much smaller town of Escalante, near the monument's center, is another example. Utah Congressman Rob Bishop held a hearing in Escalante after the Republicans took control of the House of Representatives in 2011. Instead of hearing complaints and tales of woe, what he heard were stories from happy business owners whose income was up by 40 percent since the monument went in. The only complaint he heard was from a Republican county commissioner. We should expect similar outcomes with the two Obama national monuments in Nevada.

Genine Aiello, Private Citizen, Lincoln County, Nevada:

I am in support for A.J.R. 13. Thank you for the opportunity to speak. I am a volunteer and community organizer and have had the opportunity to work on many issues, including the efforts by the Sierra Club and many others to protect Basin and Range, one of Nevada's national monuments. I am here on behalf of the part of my community that does not get heard a lot, the people who want that protection for the land that will ensure our way of life will continue.

Protections for many iconic American treasures are being chipped away for the benefit of resource extraction industries. The Bears Ears National Monument in Utah is one of those monuments that the resource extraction industry forces want to see the beautiful land destroyed so they can access resources like oil and gas.

Another monument these forces would like to see dismantled is the one that means so much to me personally, Basin and Range National Monument. Basin and Range National Monument is home to human artifacts of indigenous people like the Shoshone and Paiute

Tribes, and even older indigenous people dating back 9,000-plus years. Basin and Range National Monument is also home to the latest generation of inhabitants. Ranching runs deep in this community, including my own family. Some still ranch in this area to this day.

Basin and Range is the same monument that has *City* by Michael Heizer. It is a world-class art project that has employed a lot of men in the Lincoln County community, including, at one time, my father, and now my husband. The current administration's Department of the Interior and conservative congressional representatives want to see the Antiquities Act totally abolished, along with many of the monuments and current places like Basin and Range from protection of being mined, logged, and drilled. National monuments like Basin and Range need to be protected. They need to be protected so that my children, my children's children, and our future will get the chance to enjoy the land that my family has been a part of for generations. Communities like mine depend on our representatives, our politicians, and our commissioners to stand up and say "no" to the resource extraction industry, tell them to protect our land, our heritage.

Robert Adams, representing Motorcycle Racing Association of Nevada:

Motorcycle Racing Association of Nevada (MRAN) is an organization that hosts and sanctions off-highway motorcycle events in Clark, Lincoln, Nye, and White Pine Counties. We have been around since 1968. We are a family organization. No matter how fast or how slow, how young or how old, there is a place for you in MRAN. I am on both sides of this. There is a need to protect natural and cultural values, and there is also a need to protect public access to public lands. We were optimistic based on agreements we thought had been reached through the BLM meetings.

There was actually a BLM preproclamation prior to the actual proclamation that thanked the stakeholders and promised our continued use. We found out later that all of that was a misunderstanding, that this could not be done in a monument. We are seeing significant changes. We are looking at a draft resource management plan being published this summer, yet despite that, there has been no public comment, no publication of that resource management plan, which the management of the Basin and Range National Monument has changed significantly.

We have hosted events there since the late 1960s, and we were denied a special recreation permit for use of existing roads and trails that we have ridden forever. We are now told only maintained and improved roads are accessible for motor vehicle travel. That is a complete change from what has happened forever. We are looking at riding the unimproved two-tracks that have been there since the early mining days. They were put in by miners and ranchers, and just by age have been proven sustainable.

As far as fiscal notes, Colorado, \$2 billion to \$3 billion a year going to the economy. Arizona has \$6 billion to \$7 billion.

Vice Chair Cohen:

I just want to be sure, are you in support of the bill?

Robert Adams:

I am neutral. I think we need to take this back for reconsideration and the input of local counties; particularly Nye and Lincoln Counties need to be given greater concern. Also, the Secretary of the Interior appointed a resource advisory council that recommended against the current management.

Patrick V. Naranjo, Resource Coordinator, The Intersection, University of Nevada, Las Vegas:

The Intersection is an academic multicultural resource center. I am also here on behalf of myself as a Native American cultural property expert and as a member of a federally recognized tribe, Santa Clara Pueblo, located in New Mexico. I am here in support of A.J.R. 13 regarding Nevada Legislature support of the Antiquities Act, in efforts to protect the cultural heritage items associated with Gold Butte and Basin and Range National Monument designations; also for the preservation of University of Nevada, Las Vegas (UNLV) postsecondary research interests associated with these landmarks, particularly the Gold Butte location, which I had the opportunity to work with the Friends of Gold Butte.

The Antiquities Act authorizes the President of the United States to designate as national monuments any historic landmarks, historic and prehistoric structures, and other objects of historic or scientific interest.

This designation honors America's "first citizens" who are indigenous to the southern Nevada region, by acknowledging their ancestral landscape and protecting the indigenous knowledge systems associated with these spaces; also, the contemporary identity that defines the heritage of the Moapa Band of Paiute Indians and the Las Vegas Paiute Tribe.

The Basin and Range and Gold Butte National Monuments both provide vital habitats for desert bighorn sheep, Gila monsters, desert tortoises, Rocky Mountain elk, mule deer, various kinds of flora and fauna, and many other species of concern.

Preservation of these monuments also represents a reaffirmation of my individual identity within the American experience as an American Indian person. Protection of these areas as identified cultural sites reaffirms the contemporary placement of American Indians within society as well as their indigenous belief systems, since the colonial experience has largely misplaced indigenous history and current representation of its first citizens within the United States demography.

As a member of a federally recognized tribe and educator within postsecondary education, it is important to preserve these unique landscapes. These areas represent significant understanding of the history of North America, the history of the United States, and the contemporary misplacement of indigenous peoples within this process, and the indigenous knowledge systems that still remain.

Checko Salgado, representing the Friends of Basin and Range:

As one of the leaders of Friends of Basin and Range, we are dedicated to protecting, restoring, and enjoying the monument through partnerships, service projects, and adding to the pristine basins and mountains. The Basin and Range is located about three hours from Las Vegas and encompasses the golden circle, or the communities that we call Ely, Alamo, Ash Springs, Rachel, Pioche, and Caliente. Designation of Basin and Range as a national monument, using the Antiquities Act, was, and is still, supported by a diverse group of stakeholders, from Elaine Wynn, artist Michael Heizer, staff and students from the After-School All-Stars, archeologists, conservationists, outdoor enthusiasts, and members of the arts community.

The monument protects stunning and iconic Nevada scenery, ecological values, cultural sites such as Mount Irish and White River Narrows, which hosts petroglyphs that are over 4,000 years old. It hosts the cattle and sheep ranching tradition and, of course, Michael Heizer's land art project. There is a lot of beautiful scenery in the Basin and Range that needs to be protected.

I know some of you are also Battle Born, as I am. This is our history, we need to protect it for our future and for the future of not only our country, but the rest of the world. Pretty soon, *City* is going to be opening up, and not only is there going to be local traffic, but we are going to see a lot of traffic from overseas. We want these people to understand the beauty of coming out to our beautiful land. On first sight, people may think of Nevada as a wasteland, but those of us who grew up here know of the beauty we have here in our state. We need to preserve it. We need to work together across all party lines. It is going to be an economic boost and show that home does mean Nevada. [Written testimony was also provided ([Exhibit P](#)).]

Steven Rowland, Private Citizen, Las Vegas, Nevada:

I am a professor of geology at UNLV and a paleontologist. One of the functions of national monuments is to protect historic and scientific objects. I am here to make a case for the important scientific resources that occur within the Gold Butte area. I will spare you a detailed story of the rarest geologic story of Gold Butte, but I will give you one simple example, an artist's perception of a reptile that lived in the Gold Butte area 290 million years ago ([Exhibit Q](#)). We have the footprints. They are extremely rare footprints, among the earliest of vertebrate animals anywhere in North America and certainly the oldest fossil footprints in Nevada. This is a reptile that predates dinosaurs by about 50 million years. We are just beginning to study the geology and paleontological resources of Gold Butte. Gold Butte has, in addition to the wonderful resources that have already been mentioned today, really extraordinary scientific resources.

Vice Chair Cohen:

Unfortunately, we are going to have to stop hearing testimony for those in support of A.J.R. 13. Is there anyone in neutral?

Dagny Stapleton, representing Nevada Association of Counties:

I would like to draw the Committee's attention to a paper titled "Designation of National Monuments Using the Antiquities Act" ([Exhibit R](#)) that Nevada Association of Counties wrote in response to conversations we had specific to Basin and Range at our meeting. Although some of this is articulated in the paper, we wanted to put on the record how important it is to our members that local stakeholders be included in the designation process, including the selection of acreage and determining the boundaries of any national monument designated by the Antiquities Act, as well as the size of the acreage and the size of the monument.

Vice Chair Cohen:

I will now move to opposition.

Wade Poulsen, General Manager, Lincoln County Water District:

In 2004, Congress passed the Lincoln County Conservation, Recreation, and Development Act. This allowed 90,000 acres to be released from Lincoln County into private property. Also, 780,000 acres of wilderness were created through this act. This wilderness area surrounds the Basin and Range National Monument, which encompasses 704,000 acres. That is 1.5 million acres that have been taken out of possible release for private property within Lincoln County.

During the process of the creation of the Basin and Range National Monument, not one public meeting was held in Lincoln County. Not one public address or input was given to the local leaders or the local citizens of Lincoln County on the creation and/or the size of the national monument known as the Basin and Range. We take great concern in the lack of transparency in the creation of national monuments. Also, if you were to do the same thing in Las Vegas Valley in the 1930s, you would not have Nellis Air Force Base, Sunrise Mountain, Henderson, Green Valley, Southern Highlands, Blue Diamond, The Lakes, Red Rock Canyon, Summerlin, Centennial Hills, North Las Vegas, Kyle Canyon and Mount Charleston. None of those would be developed in any way, shape, or form. It would all be a national monument.

Specifically speaking of Michael Heizer's *City*, Mike has been a good citizen of Lincoln County. He has been a great employer to Lincoln County. However, a buffer zone of 1.5 million acres around his property, how does one man justify a zone of 1.5 million acres that others cannot go in and develop? Lincoln County Water District has 29 water applications in the Basin and Range National Monument area. To date, we have asked for the release of 3,000 to 5,000 acres to grow crops, hay and other types of agriculture. However, this was prior to the national monument designation. Out of the 90,000 acres that the Lincoln County Conservation, Recreation, and Development Act has said we could release, only 80 acres have been released in the last 12 years. We have asked for 3,000 to 5,000 acres, but now that it is a national monument, how can we develop water resources for agricultural purposes in the national monument?

For these reasons we have asked that the Basin and Range be removed from this resolution. We appreciate the opportunity to comment on [A.J.R. 13](#) and would request that the Basin and Range National Monument language be taken out of this resolution. In this instance, the Antiquities Act was used by powerful politicians for their own gains and legacies as favors from other powerful politicians with no input from local leadership and the majority of those who live in Lincoln County. That is why we oppose. [Also provided written testimony ([Exhibit S](#)).]

Varlin Higbee, Lincoln County Commissioner:

I also represent the N-4 State Grazing Board as Vice Chair. I have submitted a statement from the N-4 State Grazing Board ([Exhibit T](#)). As a Lincoln County Commissioner, Basin and Range National Monument has a major impact on our county revenues. We have 14 designated wilderness areas and 3 study areas. Those areas, once they become designated, including the monuments, are considered withdrawals. When you withdraw land from the public domain, it no longer qualifies for payment in lieu of taxes. Right now, Lincoln County struggles. In the last three years, we went \$250,000 in the hole. We have enough coverage to make it, so we have been okay. Yet, we talk about the billions of dollars that these monuments generate. I have yet to see that. I am here to say that a lot of what I have heard today, I do not know how to rebut it because there is so much misinformation. They say that these are such revenue generators. Well, they are not. Regarding the monument they talked about in Utah, I talked to the county commissioners there, two of their towns are in that monument. Their schools have gone from upward of 200 students down to 50 and 60. They do not generate the revenue necessary to fund the county.

The federal government owns 98.9 percent of Lincoln County. Our tax revenues are solely generated from natural resources. When you jerk those natural resources out from under a county that is solely based on resource industries, you are done. One of these days Clark County will own Lincoln County because we cannot fund our schools, we cannot fund our road department, we cannot fund anything. We will be done; you can just give it to the federal government or whomever you choose.

Doug Busselman, Executive Vice President, Nevada Farm Bureau Federation:

I am here to speak in opposition to this resolution. We have sent our written testimony to NELIS ([Exhibit U](#)) and I would like to briefly cover some of the points. As we indicated in our written testimony, we believe that the designations of these two national monuments exceed the limitations that are required in the Antiquities Act. Under the Antiquities Act, the limits of the parcels shall be confined to the smallest area compatible with the proper care and management of the objects to be protected. From a perspective of public input and participation, we further believe it is necessary for congressional oversight to be provided for Nevada's local citizens, much the same as what Wyoming has under the law that is currently in place.

Assemblywoman Krasner:

Mr. Higbee, you said there are two counties that cannot afford to survive now, can you explain why?

Varlin Higbee:

Not necessarily two counties, but Lincoln County.

Vice Chair Cohen:

I believe you said that was in a different state.

Varlin Higbee:

That is Garfield County, Utah, where the monuments are. They are struggling. This is what happens when you designate these withdrawals. Our natural resources are grazing, mining, and logging. When they created the Grand Staircase-Escalante National Monument in Utah, the logging industry went away. That was 200 families. The mining industry—coal miners—went away; that was another 200 to 300 families.

Vice Chair Cohen:

I am going to have to ask you to take the rest of your answer offline.

Varlin Higbee:

The Shooting Gallery is not in Austin. The Shooting Gallery is in Pahrnagat Valley.

Vice Chair Cohen:

Please feel free to provide any additional information in writing. Assemblywoman Swank, would you like to make some closing remarks?

Assemblywoman Swank:

Thank you for hearing this resolution. I am fully in support of public lands in Nevada. I think we need to keep our public lands public. I do not think they need to be sold off for private development.

Vice Chair Cohen:

I will close the hearing on A.J.R. 13. [Exhibits provided but not mentioned in support of A.J.R. 13 include: ([Exhibit V](#)), ([Exhibit W](#)), ([Exhibit X](#)), ([Exhibit Y](#)), ([Exhibit Z](#)), ([Exhibit AA](#)), ([Exhibit BB](#)), and ([Exhibit CC](#)). Exhibit in opposition is ([Exhibit DD](#)). Exhibits in neutral are: ([Exhibit EE](#)) and ([Exhibit FF](#)).] [Assemblywoman Swank reassumed the Chair.]

Chair Swank:

I will now open the hearing on Assembly Bill 449.

Assembly Bill 449: Establishes Public Lands Day in the State of Nevada. (BDR 19-770)

Assemblywoman Maggie Carlton, Assembly District No. 14:

I am here to discuss Assembly Bill 449, which is affectionately known as Public Lands Day. Realizing that we are very short on time, I will give you a brief overview on the bill. Section 1 of the bill designates the third Saturday of May of each year as Public Lands Day. After drafting the bill, I realized that was not going to work. Eric Johnson, Administrator,

Division of State Parks, State Department of Conservation and Natural Resources, reached out to me. We have had conversations and we believe that September 30 would be a very good day. It is typically known as Public Lands Day, and it would get more people to the public lands at that particular time. It is a little cooler, and it would extend the season a little longer. It would keep people involved in our public lands longer into the fall season.

The bill states that the Governor shall issue a proclamation. In reading that, I was not sure if that was appropriate. I do not really think we should be telling the Governor that he has to issue a proclamation. Maybe we can request that he does a proclamation. I think that would be a good way to approach that, also, to basically get the media and everyone involved so that the folks in Nevada know that it is Public Lands Day. The bill does state that the entrance fee, camping, and boating fees would be taken care of, and it is aimed at Nevada residents. I do not believe there would be a problem. We discussed the fiscal impact, we believe that at that time of year, for these particular activities, that it would not have a very large fiscal impact. Whereas, if it had been in May, which is prime season, the fiscal impact would have been much different. With that, I would be happy to answer any questions.

Chair Swank:

I think this is a fabulous idea. I like the thought of having a Public Lands Day in September when folks can get into our state parks for free. We will probably get folks out there who have never been out before, then they will come back again and pay the admission fee. I will hear from those in support.

Jaina Moan, Executive Director, Friends of Gold Butte:

I wholeheartedly support a Nevada Public Lands Day. I moved here two years ago from northern Arizona, which fulfilled a lifelong dream of mine to move to Nevada. The reason is because I love Nevada's public lands. I wanted to live in a state that had the most public lands. I honor and celebrate them, and I feel like Nevada Public Lands Day will do exactly that.

Patrick Donnelly, representing Center for Biological Diversity:

We are in support of Nevada's public lands. They are a haven for wildlife and endangered species. They are Nevada's greatest asset. A Nevada Public Lands Day would be a chance for us all to celebrate and remind each other what makes this state so great.

Robert Adams, representing Motorcycle Racing Association of Nevada:

I fully support Public Lands Day as a way to commemorate what is so very important to all of us. Please keep public lands public and keep public lands open to the public.

Andy Maggi, Executive Director, Nevada Conservation League:

We are here to proudly support a Public Lands Day. Nevada has great public lands, let us celebrate them.

Shaaron Netherton, Executive Director, Friends of Nevada Wilderness:

We also want to support this. I just think that it is a terrific idea to allow free entry into the state parks. It is a great way to get people who have never been to come. I applaud you and think this is a fabulous thing.

Chair Swank:

Is there anyone else in support? [There was no one.] Is anyone in opposition? [There was no one.] Is there anyone in neutral? [There was no one.] Are there any closing remarks?

Assemblywoman Carlton:

I have one clarification. I mentioned the date because that was the date for 2017. I believe in legislation we will want to put the fourth Saturday of September. That way, we would not be tied to a day that would be in the middle of the week. It would be my proposition that as far as the camping goes, this would be for one free night. That could be either the Friday night before or Saturday night.

Chair Swank:

I will close the hearing on A.B. 449. I will open for public comment. Seeing no one, this meeting is adjourned [at 3:29 p.m.].

RESPECTFULLY SUBMITTED:

Nancy Davis
Committee Secretary

APPROVED BY:

Assemblywoman Heidi Swank, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a proposed amendment to [Assembly Bill 52](#) presented by Richard Perry, Administrator, Division of Minerals, Commission on Mineral Resources.

[Exhibit D](#) is a written testimony regarding [Assembly Bill 52](#) submitted by Richard Perry, Administrator, Division of Minerals, Commission on Mineral Resources.

[Exhibit E](#) is a copy of a PowerPoint presentation titled "[Assembly Bill 52](#), Dissolved Mineral Resources," submitted by Richard Perry, Administrator, Division of Minerals, Commission on Mineral Resources.

[Exhibit F](#) is written testimony in support of [Assembly Bill 52](#) presented by David von Seggern, Chair, Toiyabe Chapter, Sierra Club.

[Exhibit G](#) is a letter dated April 11, 2017 to The Honorable Heidi Swank and The Honorable Lesley Cohen in support of [Assembly Bill 52](#), written by Brad Platt, Director, Geothermal & Solar Operations & Maintenance, provided by Terry Page, Director of Regulatory Affairs, Enel Green Power North America, Inc.

[Exhibit H](#) is a report titled "Stillwater Power Plant" provided by Terry Page, Director of Regulatory Affairs, Enel Green Power North America, Inc.

[Exhibit I](#) is a report titled "Pure Energy Minerals Limited," dated December 21, 2015, provided by Thomas M. Dudas, Private Citizen, Las Vegas, Nevada.

[Exhibit J](#) is a proposed amendment to [Assembly Bill 52](#) provided by Leo M. Drozdoff, representing Albemarle Corporation.

[Exhibit K](#) is a letter in support of [Assembly Bill 52](#), dated April 10, 2017, to Committee on Natural Resources, Agriculture, and Mining from Catherine Hickson, COO & Director, Dajin Resources, provided by Chris C. Mahannah, representing Dajin Resources Corporation.

[Exhibit L](#) is a letter in support of [Assembly Bill 52](#), dated April 11, 2017, addressed to Chair Heidi Swank, from Josh Nordquist, Ormat Nevada Inc.

[Exhibit M](#) is the Work Session Document for [Assembly Bill 416](#), dated April 11, 2017, presented by Susan E. Scholley, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit N](#) is a letter to Honorable Heidi Swank, in support of [Assembly Joint Resolution 13](#), dated April 7, 2017, from Jaina Moan, Executive Director, Friends of Gold Butte.

[Exhibit O](#) is a letter in support of [Assembly Joint Resolution 13](#), dated April 7, 2017, provided by Shaaron Netherton, Executive Director, Friends of Nevada Wilderness.

[Exhibit P](#) is a letter to Honorable Heidi Swank, in support of [Assembly Joint Resolution 13](#), dated April 7, 2017, from Jim Boone and Checko Salgado, Friends of Basin and Range National Monument.

[Exhibit Q](#) is an artist's rendering of a prehistoric reptile provided by Steven Rowland, Private Citizen, Las Vegas, Nevada.

[Exhibit R](#) is a report titled "Designation of National Monuments Using the Antiquities Act," dated April 2016, provided by Dagny Stapleton, representing Nevada Association of Counties.

[Exhibit S](#) is a letter in opposition to [Assembly Joint Resolution 13](#) submitted by Wade Poulsen, General Manager, Lincoln County Water District.

[Exhibit T](#) is a letter from N-4 State Grazing Board dated April 11, 2017, in opposition to [Assembly Joint Resolution 13](#), from Varlin Higbee, Lincoln County Commissioner.

[Exhibit U](#) is a letter to Assemblywoman Heidi Swank, Chairwoman, dated April 10, 2017, in opposition to [Assembly Joint Resolution 13](#), from Doug Busselman, Executive Vice President, Nevada Farm Bureau Federation.

[Exhibit V](#) is a letter to Honorable Heidi Swank, in support of [Assembly Joint Resolution 13](#), dated April 7, 2017, from Elaine Wynn, Elaine P. Wynn & Family Foundation.

[Exhibit W](#) is a list of supporters for permanently protecting Gold Butte provided by Jaina Moan, Executive Director, Friends of Gold Butte.

[Exhibit X](#) is photographs of Gold Butte National Monument, provided by Jaina Moan, Executive Director, Friends of Gold Butte.

[Exhibit Y](#) is a copy of an online survey of supporters for [Assembly Joint Resolution 13](#) provided by Shevawn Von Tobel, Friends of Nevada Wilderness.

[Exhibit Z](#) is a copy of a hand-signed petition of supporters for [Assembly Joint Resolution 13](#) provided by Shevawn Von Tobel, Friends of Nevada Wilderness.

[Exhibit AA](#) is a letter dated April 7, 2017, in support of [Assembly Joint Resolution 13](#) to Honorable Heidi Swank, from Next 100 Coalition provided by Jocelyn Torres, Nevada Program Director, Conservation Lands Foundation.

[Exhibit BB](#) is a letter dated April 11, 2017, in support of [Assembly Joint Resolution 13](#) to Honorable Heidi Swank, from Jocelyn Torres, Nevada Program Director, Conservation Lands Foundation.

[Exhibit CC](#) is a letter dated April 6, 2017, in support of [Assembly Joint Resolution 13](#) to Honorable Heidi Swank, from Michael Govan, CEO/Wallis Annanberg Director, Los Angeles County Museum of Art, provided by Erin Wright, Los Angeles County Museum of Art.

[Exhibit DD](#) is a letter dated April 7, 2017, in opposition of [Assembly Joint Resolution 13](#) to Assemblywoman Heidi Swank, Chair, from Ryan Hoerth, Project Manager, Vidler Water Company.

[Exhibit EE](#) is a copy of a Presidential Proclamation dated July 10, 2015, titled "Establishment of the Basin and Range National Monument," provided by Robert Adams, representing Motorcycle Racing Association of Nevada.

[Exhibit FF](#) is a copy of written comments to the Bureau of Land Management's Resource Advisory Committee regarding the Presidential Proclamation titled "Establishment of the Basin and Range National Monument," provided by Robert Adams, representing Motorcycle Racing Association of Nevada.