
ASSEMBLY BILL NO. 34—COMMITTEE ON NATURAL
RESOURCES, AGRICULTURE, AND MINING

(ON BEHALF OF THE DIVISION OF STATE LANDS
OF THE STATE DEPARTMENT OF CONSERVATION
AND NATURAL RESOURCES)

PREFILED NOVEMBER 16, 2016

Referred to Committee on Natural Resources,
Agriculture, and Mining

SUMMARY—Revises provisions relating to state lands.
(BDR 26-179)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to state lands; reducing the number of independent appraisals of state land required before such land may be offered for sale or lease; revising provisions relating to the use of money in the Revolving Account for Land Management; removing an exemption from procedural requirements for the sale or lease of state land for a lease of residential property with a term of 1 year or less; revising the requirement that the Administrator of the Division of State Lands develop and make certain information useful to land use planning available to cities and counties; revising provisions relating to the lease of state land for less than fair market value to certain persons who intend to locate or expand a business in this State; repealing obsolete provisions regarding the Lincoln County Pilot Land Development and Disposal Law; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Under existing law, the Division of State Lands of the State Department of
- 2 Conservation and Natural Resources must acquire and hold in the name of the State
- 3 all land and interests in land owned or required by the State, with certain



4 exceptions. (NRS 321.001) The Administrator of the Division is, ex officio, the
5 State Land Registrar. (NRS 321.010)

6 Existing law requires, with certain exceptions, the State Land Registrar to
7 obtain two independent appraisals of any state land before offering the land for sale
8 or lease. (NRS 321.007) **Section 1** of this bill changes that requirement so the State
9 Land Registrar must obtain just one independent appraisal before offering state land
10 for sale or lease.

11 Existing law creates the Revolving Account for Land Management as a special
12 account in the State General Fund. Money in the Account must be used to pay the
13 expenses relating to the management of land held by the Division of State Lands,
14 including, without limitation, expenses for appraisals and surveys, construction of
15 fences and barriers for vehicles and the cleanup and maintenance of the land. (NRS
16 321.067) **Section 2** of this bill authorizes money in the Account also to be used to
17 pay expenses relating to the acquisition of or interests in land. **Section 2** also
18 provides that the expenses for which money in the Account may be used may
19 include land surveys, required assessments of the land, including surveys of the
20 biological, environmental and cultural conditions and resources of the land, and any
21 required mitigation of the land.

22 Existing law authorizes the State Land Registrar to request an allocation to the
23 Revolving Account from the Contingency Account in the State General Fund if the
24 balance in the Revolving Account is below \$5,000. **Section 2** of this bill raises that
25 amount to \$20,000.

26 Existing law provides procedural requirements for the sale or lease of state land
27 and exempts from those requirements any lease of residential property with a term
28 of 1 year or less. (NRS 321.335) **Section 3** of this bill removes that exemption.

29 Existing law requires the Administrator of the Division of State Lands to
30 develop and make available to cities and counties certain information useful to land
31 use planning. (NRS 321.720) **Section 4** of this bill removes the requirement that the
32 Administrator develop and make available to cities and counties: (1) a continuously
33 revised inventory of the land and natural resources of the State; (2) statewide data
34 relating to population densities and trends, economic and environmental
35 characteristics and trends, and directions and extent of urban and rural growth; (3)
36 projections of the nature and quantity of land needed and suitable for various
37 purposes; and (4) a continuously revised inventory of the environmental, geological
38 and physical conditions which influence the desirability of various uses of land.

39 Existing law authorizes, if certain requirements are fulfilled, the lease of state
40 land for less than the fair market value of the land for the first year of the lease if
41 the lessee intends to locate or expand a business in this State. (NRS 322.061)
42 **Section 5** of this bill removes a number of the requirements that must be fulfilled,
43 including requirements relating to the number of employees of the business, the
44 capital investment in this State by the business, the average hourly wage paid by the
45 business to employees in this State and the benefits provided by the business.

46 **Section 6** of this bill repeals obsolete provisions relating to the Lincoln County
47 Pilot Land Development and Disposal Law. (NRS 321.540-321.590)

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 321.007 is hereby amended to read as follows:
2 321.007 1. Except as otherwise provided in subsection 5,
3 NRS 321.008, 322.061, 322.063, 322.065 or 322.075, except as
4 otherwise required by federal law, except for land that is sold or



1 leased to a public utility, as defined in NRS 704.020, to be used for
2 a public purpose, except for land that is sold or leased to a state or
3 local governmental entity, except for a lease which is part of a
4 contract entered into pursuant to chapter 333 of NRS and except for
5 land that is sold or leased pursuant to an agreement entered into
6 pursuant to NRS 277.080 to 277.170, inclusive, when offering any
7 land for sale or lease, the State Land Registrar shall:

8 (a) ~~Except as otherwise provided in this paragraph, obtain two~~
9 **Obtain an** independent ~~appraisals~~ **appraisal** of the land before
10 selling or leasing it. ~~If the Interim Finance Committee grants its~~
11 ~~approval after discussion of the fair market value of the land, one~~
12 ~~independent appraisal of the land is sufficient before selling or~~
13 ~~leasing it.]~~ The appraisal ~~for appraisals, as applicable,]~~ must have
14 been prepared not more than 6 months before the date on which the
15 land is offered for sale or lease.

16 (b) Notwithstanding the provisions of chapter 333 of NRS,
17 select ~~the one]~~ **an** independent appraiser ~~for two independent~~
18 ~~appraisers, as applicable,]~~ from the list of appraisers established
19 pursuant to subsection 2.

20 (c) Verify the qualifications of ~~each]~~ **an** appraiser selected
21 pursuant to paragraph (b). The determination of the State Land
22 Registrar as to the qualifications of an appraiser is conclusive.

23 2. The State Land Registrar shall adopt regulations for the
24 procedures for creating or amending a list of appraisers qualified to
25 conduct appraisals of land offered for sale or lease by the State Land
26 Registrar. The list must:

27 (a) Contain the names of all persons qualified to act as a general
28 appraiser in the same county as the land that may be appraised; and

29 (b) Be organized at random and rotated from time to time.

30 3. An appraiser chosen pursuant to subsection 1 must provide a
31 disclosure statement which includes, without limitation, all sources
32 of income of the appraiser that may constitute a conflict of interest
33 and any relationship of the appraiser with the owner of the land or
34 the owner of an adjoining property.

35 4. An appraiser shall not perform an appraisal on any land
36 offered for sale or lease by the State Land Registrar if the appraiser
37 or a person related to the appraiser within the first degree of
38 consanguinity or affinity has an interest in the land or an adjoining
39 property.

40 5. If a lease of land is for residential property and the term of
41 the lease is 1 year or less, the State Land Registrar shall obtain an
42 analysis of the market value of similar rental properties prepared by
43 a licensed real estate broker or salesperson when offering such a
44 property for lease.



1 6. If land is sold or leased in violation of the provisions of this
2 section:

3 (a) The sale or lease is void; and

4 (b) Any change to an ordinance or law governing the zoning or
5 use of the land is void if the change takes place within 5 years after
6 the date of the void sale or lease.

7 **Sec. 2.** NRS 321.067 is hereby amended to read as follows:

8 321.067 1. The Revolving Account for Land Management is
9 hereby created as a special account in the State General Fund.

10 2. The State Land Registrar shall use the money in the
11 *Revolving* Account to pay the expenses related to the management
12 of land held by the Division ~~†~~ *and the acquisition of or interests in*
13 *land*, including, without limitation, expenses for:

14 (a) Appraisals and *land* surveys;

15 (b) *Required environmental assessments of the land,*
16 *including, without limitation, surveys of the biological,*
17 *environmental and cultural conditions and resources of the land;*

18 (c) Construction of fences and barriers for vehicles; ~~†and~~

19 ~~—(e)†~~ (d) The cleanup and maintenance of the land ~~†~~; *and*

20 (e) *Any mitigation required of the land.*

21 3. The State Land Registrar shall:

22 (a) Approve any disbursement from the Revolving Account; and

23 (b) Maintain records of any such disbursement.

24 4. The State Land Registrar shall deposit into the Revolving
25 Account money received by the Division as a donation or as a
26 reimbursement for or advance payment of an expense paid out of the
27 Revolving Account.

28 5. The balance of the Revolving Account must be carried
29 forward at the end of each fiscal year.

30 6. If the balance in the account is below ~~†\$5,000,†~~ *\$20,000*, the
31 State Land Registrar may request an allocation from the
32 Contingency Account in the State General Fund pursuant to NRS
33 353.266, 353.268 and 353.269.

34 **Sec. 3.** NRS 321.335 is hereby amended to read as follows:

35 321.335 1. Except as otherwise provided in NRS 321.008,
36 321.125, 322.061, 322.063, 322.065 or 322.075, except as otherwise
37 required by federal law, except for land that is sold or leased to a
38 public utility, as defined in NRS 704.020, to be used for a public
39 purpose, except for land that is sold or leased to a state or local
40 governmental entity, except for a lease which is part of a contract
41 entered into pursuant to chapter 333 of NRS and except for an
42 agreement entered into pursuant to the provisions of NRS 277.080
43 to 277.170, inclusive, ~~for a lease of residential property with a term~~
44 ~~of 1 year or less.†~~ after April 1, 1957, all sales or leases of any lands
45 that the Division is required to hold pursuant to NRS 321.001,



1 including lands subject to contracts of sale that have been forfeited,
2 are governed by the provisions of this section.

3 2. Whenever the State Land Registrar deems it to be in the best
4 interests of the State of Nevada that any lands owned by the State
5 and not used or set apart for public purposes be sold or leased, the
6 State Land Registrar may, with the approval of the State Board of
7 Examiners and the Interim Finance Committee, cause those lands to
8 be sold or leased upon sealed bids, or oral offer after the opening of
9 sealed bids for cash or pursuant to a contract of sale or lease, at a
10 price not less than the highest appraised value for the lands plus the
11 costs of appraisal and publication of notice of sale or lease.

12 3. Before offering any land for sale or lease, the State Land
13 Registrar shall comply with the provisions of NRS 321.007.

14 4. After complying with the provisions of NRS 321.007, the
15 State Land Registrar shall cause a notice of sale or lease to be
16 published once a week for 4 consecutive weeks in a newspaper of
17 general circulation published in the county where the land to be sold
18 or leased is situated, and in such other newspapers as the State Land
19 Registrar deems appropriate. If there is no newspaper published in
20 the county where the land to be sold or leased is situated, the notice
21 must be so published in a newspaper published in this State having a
22 general circulation in the county where the land is situated.

23 5. The notice must contain:

24 (a) A description of the land to be sold or leased;

25 (b) A statement of the terms of sale or lease;

26 (c) A statement that the land will be sold pursuant to subsection
27 6; and

28 (d) The place where the sealed bids will be accepted, the first
29 and last days on which the sealed bids will be accepted, and the time
30 when and place where the sealed bids will be opened and oral offers
31 submitted pursuant to subsection 6 will be accepted.

32 6. At the time and place fixed in the notice published pursuant
33 to subsection 4, all sealed bids which have been received must, in
34 public session, be opened, examined and declared by the State Land
35 Registrar. Of the proposals submitted which conform to all terms
36 and conditions specified in the notice published pursuant to
37 subsection 4 and which are made by responsible bidders, the bid
38 which is the highest must be finally accepted, unless a higher oral
39 offer is accepted or the State Land Registrar rejects all bids and
40 offers. Before finally accepting any written bid, the State Land
41 Registrar shall call for oral offers. If, upon the call for oral offers,
42 any responsible person offers to buy or lease the land upon the terms
43 and conditions specified in the notice, for a price exceeding by at
44 least 5 percent the highest written bid, then the highest oral offer
45 which is made by a responsible person must be finally accepted.



1 7. The State Land Registrar may reject any bid or oral offer to
2 purchase or lease submitted pursuant to subsection 6, if the State
3 Land Registrar deems the bid or offer to be:

4 (a) Contrary to the public interest.

5 (b) For a lesser amount than is reasonable for the land involved.

6 (c) On lands which it may be more beneficial for the State to
7 reserve.

8 (d) On lands which are requested by the State of Nevada or any
9 department, agency or institution thereof.

10 8. Upon acceptance of any bid or oral offer and payment to the
11 State Land Registrar in accordance with the terms of sale specified
12 in the notice of sale, the State Land Registrar shall convey title by
13 quitclaim or cause a patent to be issued as provided in NRS 321.320
14 and 321.330.

15 9. Upon acceptance of any bid or oral offer and payment to the
16 State Land Registrar in accordance with the terms of lease specified
17 in the notice of lease, the State Land Registrar shall enter into a
18 lease agreement with the person submitting the accepted bid or oral
19 offer pursuant to the terms of lease specified in the notice of lease.

20 10. The State Land Registrar may require any person
21 requesting that state land be sold pursuant to the provisions of this
22 section to deposit a sufficient amount of money to pay the costs to
23 be incurred by the State Land Registrar in acting upon the
24 application, including the costs of publication and the expenses of
25 appraisal. This deposit must be refunded whenever the person
26 making the deposit is not the successful bidder. The costs of acting
27 upon the application, including the costs of publication and the
28 expenses of appraisal, must be borne by the successful bidder.

29 11. If land that is offered for sale or lease pursuant to this
30 section is not sold or leased at the initial offering of the contract for
31 the sale or lease of the land, the State Land Registrar may offer the
32 land for sale or lease a second time pursuant to this section. If there
33 is a material change relating to the title, zoning or an ordinance
34 governing the use of the land, the State Land Registrar must ~~[-as~~
35 ~~applicable,]~~ obtain a new appraisal ~~[or new appraisals]~~ of the land
36 pursuant to the provisions of NRS 321.007 before offering the land
37 for sale or lease a second time. If land that is offered for sale or
38 lease pursuant to this section is not sold or leased at the second
39 offering of the contract for the sale or lease of the land, the State
40 Land Registrar may list the land for sale or lease at the appraised
41 value with a licensed real estate broker, provided that the broker or a
42 person related to the broker within the first degree of consanguinity
43 or affinity does not have an interest in the land or an adjoining
44 property.



1 **Sec. 4.** NRS 321.720 is hereby amended to read as follows:

2 321.720 The Administrator shall develop and make available
3 to cities and counties information useful to land use planning,
4 including:

5 1. ~~Preparation and continuing revision of a statewide~~
6 ~~inventory of the land and natural resources of the State;~~

7 ~~—2.— Compilation and continuing revision of data, on a statewide~~
8 ~~basis, related to population densities and trends, economic~~
9 ~~characteristics and projections, environmental conditions and trends,~~
10 ~~and directions and extent of urban and rural growth;~~

11 ~~—3.— Projections of the nature and quantity of land needed and~~
12 ~~suitable for:~~

13 ~~—(a) Recreation and esthetic appreciation;~~

14 ~~—(b) Conservation and preservation of natural resources,~~
15 ~~agriculture, mineral development and forestry;~~

16 ~~—(c) Industry and commerce, including the development,~~
17 ~~generation and transmission of energy;~~

18 ~~—(d) Transportation;~~

19 ~~—(e) Urban development, including the revitalization of existing~~
20 ~~communities, the development of new towns, and the economic~~
21 ~~diversification of existing communities which possess a narrow~~
22 ~~economic base;~~

23 ~~—(f) Rural development, taking into consideration future demands~~
24 ~~for and limitations upon products of the land; and~~

25 ~~—(g) Health, educational, and other state and local governmental~~
26 ~~services;~~

27 ~~—4.— Preparation and continuing revision of an inventory of~~
28 ~~environmental, geological and physical conditions, including types~~
29 ~~of soil, which influence the desirability of various uses of land;~~

30 ~~—5.—~~ Preparation and continuing revision of an inventory of state,
31 local government and private needs and priorities concerning the
32 acquisition and use of federal lands within the State;

33 ~~6.~~ 2. Preparation and continuing revision of an inventory of
34 public and private institutional and financial resources available for
35 land use planning and management within the State and of state and
36 local programs and activities which have a land use impact of more
37 than local concern;

38 ~~7.~~ 3. Provision, where appropriate, of technical assistance
39 and training programs for state and local agency personnel
40 concerned with the development and implementation of state and
41 local land use programs;

42 ~~8.~~ 4. Coordination and exchange of land use planning
43 information and data among state agencies and local governments,
44 with the Federal Government, among the several states and
45 interstate agencies, and with members of the public, including



1 conducting of public hearings, preparation of reports and soliciting
2 of comments on reports concerning information useful to land use
3 planning;

4 ~~19.1~~ 5. Coordination of planning for state and local acquisition
5 and use of federal lands within the State, except that in the case of a
6 plan which utilizes both federal and private lands the governing
7 body of the area where private lands are to be utilized has final
8 authority to approve the proposal;

9 ~~10.1~~ 6. Provision of assistance to counties to develop
10 programs to increase the responsibility of local governments for the
11 management of lands in the State of Nevada that are under federal
12 management; and

13 ~~11.1~~ 7. Consideration of, and consultation with, the relevant
14 states on the interstate aspects of land use issues of more than local
15 concern.

16 **Sec. 5.** NRS 322.061 is hereby amended to read as follows:

17 322.061 1. The Administrator of the Division of State Lands
18 of the State Department of Conservation and Natural Resources, as
19 ex officio State Land Registrar, may lease state land pursuant to
20 NRS 322.060 for less than the fair market value of the state land for
21 the first year of the lease, including, without limitation, without the
22 payment of rent for the first year of the lease, to a person who
23 intends to locate or expand a business in this State if ~~1. except as~~
24 ~~otherwise provided in subsection 5.1~~ the business meets the
25 requirements of subsection 4.

26 2. Before state land may be leased pursuant to this section, the
27 following persons must approve the lease and establish the
28 recommended amount of rent to be received for the state land:

29 (a) The Administrator of the Division of State Lands, as ex
30 officio State Land Registrar;

31 (b) The Administrator of the State Public Works Division of the
32 Department of Administration; and

33 (c) The Executive Director of the Office of Economic
34 Development.

35 3. Any lease entered into pursuant to this section must be for a
36 term of at least 10 years.

37 4. ~~1. Except as otherwise provided in subsection 5.1, the~~ *The*
38 lease or agreement may not include a discount to the business for
39 the first year unless:

40 (a) The business is consistent with:

41 (1) The State Plan for Economic Development developed by
42 the Executive Director of the Office of Economic Development
43 pursuant to subsection 2 of NRS 231.053; and

44 (2) Any guidelines adopted by the Executive Director of the
45 Office to implement the State Plan for Economic Development.



1 (b) The business is registered pursuant to the laws of this State
2 or the person who intends to locate or expand the business in this
3 State commits to obtain a valid business license and all other
4 permits required by the county, city or town in which the business
5 operates.

6 ~~[(c) If the business is a new business in a county whose
7 population is 100,000 or more or a city whose population is 60,000
8 or more, the business meets at least two of the following
9 requirements:~~

10 ~~—— (1) The business will have 75 or more full time employees
11 on the payroll of the business by the fourth quarter that it is in
12 operation.~~

13 ~~—— (2) Establishing the business will require the business to
14 make a capital investment of at least \$1,000,000 in this State.~~

15 ~~—— (3) The average hourly wage that will be paid by the new
16 business to its new employees in this State is at least 100 percent of
17 the average statewide hourly wage as established by the
18 Employment Security Division of the Department of Employment,
19 Training and Rehabilitation on July 1 of each fiscal year and:~~

20 ~~—— (I) The business will provide a health insurance plan for
21 all employees that includes an option for health insurance coverage
22 for dependents of the employees; and~~

23 ~~—— (II) The benefits the business provides to its employees in
24 this State will meet the minimum requirements for benefits
25 established by the Office.~~

26 ~~—— (d) If the business is a new business in a county whose
27 population is less than 100,000 or a city whose population is less
28 than 60,000, the business meets at least two of the following
29 requirements:~~

30 ~~—— (1) The business will have 15 or more full time employees
31 on the payroll of the business by the fourth quarter that it is in
32 operation.~~

33 ~~—— (2) Establishing the business will require the business to
34 make a capital investment of at least \$250,000 in this State.~~

35 ~~—— (3) The average hourly wage that will be paid by the new
36 business to its new employees in this State is at least 100 percent of
37 the average statewide hourly wage or the average countywide hourly
38 wage, whichever is less, as established by the Employment Security
39 Division of the Department of Employment, Training and
40 Rehabilitation on July 1 of each fiscal year and:~~

41 ~~—— (I) The business will provide a health insurance plan for
42 all employees that includes an option for health insurance coverage
43 for dependents of the employees; and~~



1 ~~—————(H) The benefits the business provides to its employees in~~
2 ~~this State will meet the minimum requirements for benefits~~
3 ~~established by the Office.~~
4 ~~——(e) If the business is an existing business, the business meets at~~
5 ~~least two of the following requirements:~~
6 ~~————(1) The business will increase the number of employees on~~
7 ~~its payroll by 10 percent more than it employed in the immediately~~
8 ~~preceding fiscal year or by six employees, whichever is greater.~~
9 ~~————(2) The business will expand by making a capital investment~~
10 ~~in this State in an amount equal to at least 20 percent of the value of~~
11 ~~the tangible property possessed by the business in the immediately~~
12 ~~preceding fiscal year. The determination of the value of the tangible~~
13 ~~property possessed by the business in the immediately preceding~~
14 ~~fiscal year must be made by the:~~
15 ~~————(I) County assessor of the county in which the business~~
16 ~~will expand, if the business is locally assessed; or~~
17 ~~————(II) The Department of Taxation, if the business is~~
18 ~~centrally assessed.~~
19 ~~————(3) The average hourly wage that will be paid by the existing~~
20 ~~business to its new employees in this State is at least the amount of~~
21 ~~the average hourly wage required to be paid by businesses pursuant~~
22 ~~to subparagraph (2) of either paragraph (a) or (b) of subsection 2 of~~
23 ~~NRS 361.0687, whichever is applicable, and:~~
24 ~~————(I) The business will provide a health insurance plan for~~
25 ~~all new employees that includes an option for health insurance~~
26 ~~coverage for dependents of the employees; and~~
27 ~~————(II) The benefits the business provides to its new~~
28 ~~employees in this State will meet the minimum requirements for~~
29 ~~benefits established by the Office.~~
30 ~~——(f) In lieu of meeting the requirements of paragraph (c), (d) or~~
31 ~~(e), if the business furthers the development and refinement of~~
32 ~~intellectual property, a patent or a copyright into a commercial~~
33 ~~product, the business meets at least two of the following~~
34 ~~requirements:~~
35 ~~————(1) The business will have 10 or more full-time employees~~
36 ~~on the payroll of the business by the fourth quarter that it is in~~
37 ~~operation.~~
38 ~~————(2) Establishing the business will require the business to~~
39 ~~make a capital investment of at least \$500,000 in this State.~~
40 ~~————(3) The average hourly wage that will be paid by the new~~
41 ~~business to its employees in this State is at least the amount of the~~
42 ~~average hourly wage required to be paid by businesses pursuant to~~
43 ~~subparagraph (2) of either paragraph (a) or (b) of subsection 2 of~~
44 ~~NRS 361.0687, whichever is applicable, and:~~



1 ~~_____ (I) The business will provide a health insurance plan for~~
2 ~~all employees that includes an option for health insurance coverage~~
3 ~~for dependents of the employees; and~~
4 ~~_____ (II) The benefits the business provides to its employees in~~
5 ~~this State will meet with minimum requirements established by the~~
6 ~~Office.~~
7 ~~— 5. The Executive Director of the Office of Economic~~
8 ~~Development may waive the requirements of subsection 4 for good~~
9 ~~cause shown if the lease is for state land of less than 25,000 square~~
10 ~~feet.]~~
11 **Sec. 6.** NRS 321.540, 321.550, 321.560, 321.570, 321.580 and
12 321.590 are hereby repealed.
13 **Sec. 7.** This act becomes effective on July 1, 2017.

LEADLINES OF REPEALED SECTIONS

- 321.540** Short title.
321.550 “Department” defined.
321.560 Acquisition of lands by State Department of Conservation and Natural Resources authorized.
321.570 Powers of State Department of Conservation and Natural Resources concerning development of Lincoln County lands; sale of lands.
321.580 Lincoln County Pilot Land Development and Disposal Fund: Creation; use.
321.590 Lincoln County Pilot Land Development and Disposal Fund: Receipts to be credited; reimbursement of State General Fund.

