

Assembly

AGRICULTURE COMMITTEE

MINUTES OF MEETING OF February 16, 1971 - PUBLIC HEARING IN ROOM
214 on AJR 12

MEMBERS

PRESENT: Chairman, Virgil Getto, Norman Glaser, Roy Torvinen,
William Swackhamer, Roy Young, Melvin Howard

ABSENT: F. Hawkins

GUESTS: Mr. E. J. DeRicco, Director and N. S. Hall, Asst. Director
Dept. of Conservation & Natural Resources; Mr. Larson,
Mr. Toone, Mr. Griffith, Mr. Lair, and Dr. Broadbent.

Chairman Getto: The purpose of the hearing is to hear A.J.R. 12.
Norman, since you brought the resolution forward, would you like to
start off and then we can go to either side, I guess. We'll let the
proponents and the opponents testify.

Mr. Glaser: Thank you, Mr. Chairman. In the years that I have served
in the Legislature, it became apparent to me that one of the problems
that we suffer from chronically has been the lack of adequate funding,
particularly in the field of education and I have felt that one of
the reasons for this was because of our narrow tax base. We didn't
enjoy, as other states enjoyed, a large ad valorem base in which to
finance our civil systems and which to lean on for bonding capacities
for capital improvements and so forth.

So I have always had the uneasy feeling that Nevada was short changed
when it came to deeded land from which to finance our ongoing insti-
tutions. A few years back, Mr. Young and I introduced a resolution
that would set up a State Public Land Committee which would analyze or
assist and make recommendations to the Federal State Public Land Review
Committee. One of the recommendations that the State Public Land
Committee came up with was that we should make an effort to acquire
additional land. Now, I was pleasantly surprised when it came up
with this recommendation because certainly I had never talked to
them about it; I had never had any communication with any of the members
of the committee or with the Director to the fact that I thought we
had been short changed. This has always been my opinion. And they
came up with a rather extensive recommendation - which I have a copy*
and I see you have - and they solicited support of our Congressional
delegation.

*Exhibit A

Assembly Committee on Agriculture

Now, bear in mind that one of the recommendations of the Federal Land Law Review Commission was that we not look to the states for land; that we freeze to the status quo. And I felt that this was a rather arbitrary recommendation on the part of the Federal Land Law Commission. I was rather disappointed in their report in this end.

A.J.R. 12 would simply memorialize our Congressional Delegation to extend additional efforts on behalf of this recommendation of the Sigmund-Hagger-Grant. Now, with those preliminary remarks, Mr. Chairman, I think perhaps we should ask Mr. DeRicco and Mr. Hall of the State Department of Conservation to give a little background of the analysis and their reasoning that went into their report and I might ask for some statements later on.

Chairman Getto: Mr. DeRicco, would you like to take the chair here?

DeRicco: May I take Mr. Hall up with me., Mr. Chairman, as he is the true expert on this subject?

Chairman Getto: Yes

Mr. DeRicco: In the package that was presented to you, Mr. Chairman, is an address that I prepared on April 24, 1970. That particular talk is about twenty minutes in length from one end to the other and I won't try to read it.

I will just try to pick from that some of the pertinent material. I think Assemblyman Glaser has already stated that he and Roy Young were instrumental in sponsoring and creating the State Committee on the Federal Land Laws. That Committee, I believe, was created in 1965,

and by 1967, the 1967 session of the Nevada Legislature, they had firmed up a position on the public land program. That position was introduced by said Assemblymen Young and Glaser and in the form of AJR 10. It was passed by that session of the Legislature unanimously. Item 3 of AJR 10 provided for a request of an additional land grant. By the 1969 session of the Nevada Legislature, the committee had refined it's position and again presented them before the legislature and AJR 36 re-affirmed the State position of Federal lands and added additional points. This resolution again passed both houses of the Legislature without objection and included in that AJR 36 most recently was Section 3, again covering the land grant proposal. Mr. DeRicco pointed out that these two assembly resolutions probably had a greater impact on the deliberations of the Public Land Law Review Commission than anything that was done in any state of the union. When I presented AJR 10 in Palm Springs before Congressman Wayne Aspenall, a full commission, I think one absent, and an audience of about 300 people, Congressman Aspenall went out of his way to congratulate the state of Nevada on their approach.

Mr. DeRicco read Section 3 of AJR 36.

No. 3 "The Public Land Law Review Commission must recognize and make proper recommendations to the Congress concerning the unique land characteristics of Nevada and the unworkable general land laws. Nevada is still 86.8 percent Federally owned. Five out of 17 counties in Nevada are more than 97 percent Federally owned. Land grants to the State totaled 3.8 percent, railroads grants totaled 7.3 percent, and only 2.1 percent moved from Federal to private ownership under the General Land Laws during the past 105 years. More land was moved from railroad ownership into private individual ownership than through Federal land sales. A realistic and practical Federal land disposal program must be found by the Commission which will provide equity under the unique conditions of Nevada. An equitable solution would be an additional land grant to the State for the benefit on Common Schools."

That's the statement in AJR 36 and basically in AJR 10. In February of 1970 the State of Nevada, with the assistance of consultants, prepared a request to the Public Land Law Commission for 6,205,522 acres of land. There was something rather unique about this request in that the State Committee on Federal Land Laws, requested federal legislation to have certain provision in it - restrictions on this grant. We have heard so much about "boondoggle" that the state committee felt that there should be some restrictions on the Federal level on any grant given.

1. Before any land could be selected by the State, the Nevada Legislature must authorize a land use planning program to identify those lands most valuable for non-federal ownership. The planning process must have the assistance and the concurrence of local and county governments. By this means, compatibility of the State plan and the plans of the local and county governments will be assured. The plan must recognize those lands most valuable for permanent State ownership, such as, and this is very important, wildlife, recreation, or ecological areas. All lands selected for permanent State ownership must provide for the preservation and/or enhancement of the environment.

2. After approval of the plan by the Nevada Legislature, those areas considered best suited for private ownership shall be sold through public auction. Funds received would be deposited in the Permanent School Fund for the support of Common Schools, and the effect of the income on this particular provision is really interesting and Burnell Larson has some figures on that and I would suggest you ask him to give them to you.

3. The type of land to be selected within the State is any land best suited for non-federal ownership as determined by the State plan. It is understood that the plan will avoid selection of any lands needed for the national welfare. In many instances the enhancement of the environment and the preservation of the ecological balance can be best accomplished through non-federal ownership. In this manner, state and local people will have a strong hand in controlling their own environment and destiny. For simplicity in operation and efficiency of management, fee simple title is requested with no reservations.

4. We would suggest a realistic time limit of at least 20 years to complete the total program.

Now, in addition to these recommendations that they made to the Federal Land Law Review Commission, the state committee on Federal Land Law made some specific recommendations to this Legislature. If this grant was achieved, they suggested that:

1. Some type of acreage limitation on individual sales to prevent speculation and to ensure the highest and best use of this land.

2. With concurrence of local government and their zoning, areas would be identified as suitable for sales as homesites to individuals for rural living environment.

3. Intensive land use planning must coordinate with State water planning, park and recreation planning, fish and wildlife planning, environmental planning and Federal land managing agencies planning, to ensure compatible total resource planning.

In other words, in this planning process, the State Committee insists that all entities who have a use or will have a responsibility in the management of lands have a voice in the planning process.

I think Norm (Glaser) that it has already brought out that the Public Land Law Review Commission was negative on granting additional lands to the state even though Nevada probably has the strongest cause in the union. And their reasons for being negative were that they provided for revenue sharing. Revenue sharing in Nevada is not a big factor as it is in some other states but they did also recommend payments in lieu of taxes which is a big item in Nevada, which is 87% Federally owned. However, even with these considerations, I don't feel that the need for land grant has been negated. There are certain things that a land grant could do for us that I think we ought to look at with objectiveness and that is we have a little better control over the direction of growth.

Generally, as I visualize it and you are looking at it, before a planning process has been completed, the lands that we would request for the purpose of sale, would be the same lands the Bureau of Land Management would dispose of under the public sale act on request. The area surrounding urban communities, isolated parcels that are difficult to manage, this sort of thing. Probably those lands would be selected for sale and, with this in mind, the funds that would be generated from these sales, instead of 95% of it going back to the Federal Government and 5% to Nevada, 100% was going to our General School Funds. This is a factor. Now, if this process goes through, I think this is the basic procedure that would come about. First, we must have indication from the Congress that they would be receptive to granting the State of Nevada additional lands, and we must be aware of the controls and conditions Congress would impose on such a grant.

Your resolution provides for that. Your resolution requests our congressional delegation to make an exerted effort to get us this grant. Now, if this happens, if the National Congress should say - O.K. - we are willing to give the State of Nevada another grant, the next step would be for the State of Nevada to establish the machinery which will permit the selection of the lands. This could only be done through legislative action and through concurrence by the government. You would have to set up the machinery in here. You would have to take into consideration - these restrictions that the State Committee on Federal Land Laws has requested, in setting up that machinery. You would have to develop a planning process. It would then be necessary for us to go before all the legislature and request legislation to implement the selection program. Implementation would include funds to develop a comprehensive state-wide land use plan.

Some of you may be aware that such legislation is already in Congress, introduced by Senator Jackson, which would provide for state-wide land use plans; and if the states do not comply within three years they would lose some of their Federal funds or all of their Federal funds. Now our highway program could be affected along with many other agencies who receive the Federal Funds.

"Any legislation must have the blessing and concurrence of State and Local governmental agencies responsible for the development, administration and management of State lands and it must conform with the interests and desires of the citizens of the State of Nevada" I think when it comes before this body, the people of the State of Nevada have their biggest voice, and when the Governor must sign it, they also have a voice. Therefore, there are some real controls that this is not going to get too far out. The people of the State will have a great opportunity guide. Just what they want in the way of selecting the plans and the planning process.

I feel strongly that, before one acre of land is selected, the State Legislature should approve the land use plan and authorize the state to select the lands. Not only should the public be offered an opportunity to enter into the planning process, but it should be given the opportunity to express its opinions and thoughts before the legislature.

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In simplicity this means that even though we develop a planning process and we generate a plan, that before one acre of land is selected, it would come before you as any land disposal bill right today. If we want to select 40 acres, if we went to Esmeralda County, we identify that 40 acres and we would put up the justification for selecting it and you would have to prove it. Now this figure 6 million acres, that's in this book, everybody seems to concentrate on that figure and it scares them, because this is almost 10% of the land in the State of Nevada. I would like to point out that this figure was derived by our consultants for the purpose of substantiating our request to the Public Land Law Review Commission and the Congress. The 6 million acres is what they came up with as a figure and what Nevada is entitled to in comparison to other states. It's not necessarily the amount of land we would select, only land planning would determine precisely how many acres in total would be needed and how many acres should be set aside for each of the purposes I mentioned before: recreation areas, wildlife, you name it, any of these factors could be considered. But we may need only one million acres, we may need 500,000. I don't know, only the plan would determine that.

Last, but not least, an additional grant to the State of Nevada, if properly planned, administered and managed, will do more to preserve our integrity as a state than anything that has been done since we entered the union. It will provide us with the opportunity to secure for future generations; recreation, wildlife and ecological areas which are best suited for management by state and local government. This is important. Some of these areas are best suited for Federal management. The state should never select those.

It will provide us with an opportunity to expand our landlocked cities in an orderly manner, on a planned basis, without adverse effect on the existing economy of local areas. You who are familiar with the sale act realize that, when the Federal Government disposes of these areas, they can do it without restriction. I think the city and the county should be closely involved. If the federal government sells a bunch of homesites, the city and county really don't have a strong voice today. If it was a state disposal they could dictate. We don't want that sold because we can't provide schools, water, roads at this time and it could be done on a planned basis. I am not inferring that the Federal Government does not work with us in every manner they can, because they have been most cooperative, but we still must remember that this body and the Governor and the State of Nevada do not have control over Federal actions - they are controlled in Washington.

The funds derived from the sale of lands will provide our distributive school fund with an additional source of revenue, and thus relax the burden on the tax dollar. And knowing you people, I am quite confident that, even if it goes into the distributive school fund, you will take it into consideration when you work on the school budget. And if they are getting income from another source it could relieve a burden on the General FUND . We are also confident, and this really excites me, it will develop the best coordinated land use program between Federal, State and Local Governments that the nation has ever seen.

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We honestly believe that an additional land grant to the State of Nevada will provide the citizens of the state with unprecedented opportunities to improve the social and economic well-being of their own state and the nation.

In closing, I have given this address to many bodies; some of them were receptive, some of them were negative; but the biggest objection that most people seem to have to a grant to a state is that, by previous history, we have proven that we cannot administer such a grant. They have greater confidence in the Federal government administering these lands than the people of the State of Nevada. They feel more secure with Washington in control. Well, gentlemen, I just can't feel that way, because, if that were the truth, there is no need for state government, there is no need for local government. We are wasting a lot of money and we are wasting a lot of effort. Thank you.

Mr. Norman Hall - Report for 6,000,000 Acre Land Grant.

(Copy of this report attached* - in three section booklet)

Questions by Committee.

Q. Mr. Glaser. Have you considered a recommendation that all mineral royalties be retained by the State for school purposes - all leases, mineral, grazing, timber, revenues be submerged into the school fund?

A. Mr. DeRicco. That was not considered in the committee, Mr. Glaser, but I certainly think that if this land grant came to pass that it should be a consideration that you people could honor. I think that there are a lot of things that have to be cranked into any legislation. Another one is that one of the biggest problems we have is access to recreational areas and access to the wildlife areas. Again, I think some provision should be made in any legislation that would insure access to these areas on any lands that are sold or disposed of; not only from the public sector but from the private sector, because to use these lands you have to have access to them. The access is a real problem we are all facing today.

Q. Mr. Getto. Elmo, you mentioned the Federal sales of those BLM. You also mentioned that, and I think I have this right, the revenue derived from these sales is 95% for the Federal Government and 5% for the State. Does the state have any control at all on Federal Land sales?

A. Mr. DeRicco. Only to the extent that we can comment, Mr. Chairman. Any time the Bureau of Land Management sets up tracts for sale, exchange or any other use from the present use, they notify all state agencies of the proposal and you have an opportunity to comment; also it is published in the newspapers and the public has an opportunity to comment; though we must realize that the Federal Government can still act in spite of our comments.

*Exhibit A

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Mr. Getto: Is there a cooperative agreement working plan with the BLM and the state as far as selecting lands around urban areas?

Mr. DeRicco: Yes, there is in that the BLM before they sell any land notify everyone who may have an interest for comment. If they have enough objection, I imagine they would oppose exchange so there is an action. I'll tell you where great weakness lies in the whole process; that is state forces and local forces are the problems. Fish and Game and just about all of us are not equipped with the kind of personnel that is needed to objectively review some of these actions. So, sometimes we are negative just because we don't know and this is a poor position to take to be against, just because you don't know. Nevertheless, they try to work with us just as closely as they can on the local level.

The chairman thanked Mr. DeRicco and Mr. Hall.

Mr. Larson: Mr. chairman, I appear here basically on behalf of Mr. George Harris who is a member of the State Commission of Federal Land Laws. He asked to have me comment with reference on accrual funds to the permanent school funds, particularly on the present basis. The permanent school fund at the present time is composed of a fund comprising about 8 million dollars. Of course, this was accrued over the years. The interest on this fund goes directly into the distribute school fund for the financing of public schools and for the year 69-70, the total amount accruing to the distributive school fund from the permanent school fund, interest was \$486,983 which is a considerable amount. It is projected in the governor's budget for 71-72 that there will be an approximate amount for 1972-73 of approximately \$492,000. Of course, there are additional accruals to the permanent school fund or to the distributive school fund through federal land leases, leases on basically mining and oil. I can give you that figure if you like; amounted to in 1969-70, the last year we have positively identified figures, \$493,500, so the total of the two is about \$980,000 - close to a million dollars. Of course, any significant amounts which come to distributive school fund from other sources requires less money in the distributive school fund through state effort, direct effort in other taxes. So, speaking on behalf of the schools, we would urge your consideration of A.J.R. 12 for the accrual of additional funds for use by public schools, and hopefully, that would be a part of the planning when the lands are disposed of.

Questions of Mr. Larson by the committee.
The chairman thanked Mr. Larson.

The chairman asked if there was anyone else that wished to testify for A.J.R. 12.

Mr. chairman; I am Glen Griffith, a member of the Department of Fish and Game. Statement made by Mr. Griffith is attached* which was given in behalf of Frank W. Groves.

*Exhibit B

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Questions by the committee:

Mr. Glaser: The fish and game, do you have any study of the percentage of the fish and game run now or hunting now on private land versus public land?

A: We have tried to do this but it is a very difficult thing to do. Say, as in your county as in north Washoe County, the sage grouse, antelope, deer, the watering areas and meadowlands themselves are primarily private, may be 40%, 60%, or may be 80%. But, this serves as the most important segment of their population but it is just a part of a complex which assures that we have a population there. So, it is difficult to say what this one is producing in relation to others. If we were to exclude the private aspects of the complex which accommodates the population, we might not have it. On the other hand, we exclude the amenities which the adjoining public lands accommodate in relation to that private meadowland or water area, then we would be in the same boat. It is a real difficult thing to evaluate but we know it is important.

Mr. Glaser: The public lands or for all the public, it doesn't matter what state you live in, somebody from another state could come to Nevada and have the privilege on tramping over this public acreage - is that right?

A: They are restricted more than our residents, of course; to maintain quality aspects to hunting, let's say.

Glaser: Has there been any discussion as to the move on the part of the federal authorities, to say, look - this is federal land so the game that run over it are federal game and we should control this? I mean there is some talk about water that originates on federal land belonging to the federal entity and this proved in several cases. I just wonder if there has been any discussion about the game - who really controls the game if the federal establishment gets pushed into the wall on this thing?

A: Up until the Halsbeth incident which you are all familiar with, it was the general consensus and feeling that the resident game species belong to the state, held in trust for the people of the state. This, with a little bit of reversal of that, still hasn't been solved totally.

Mike Toone, Washoe County Game Management Board Chairman, gave testimony on AJR 12. We have discussed this program many times and I think some people think we oppose it because of the entity that is going to operate or who is going to push it or why I think the basic opposition to most people is the same thing that happened with the point raised we don't want to see any large-scale tracts of our land going into private ownership. We feel that there are lands now available through the federal agencies for development for orderly growth, parks, etc. Now, they do mention this in the report. They feel that these parts of land would be available. Anyway, we don't feel that one agency can govern that much better than the other. We would like to see the state control

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certainly. We would all like to see that. But, if we have to do it by sacrificing our lands into private enterprise, we feel that we have lost all the way around. I think the planning in this booklet was given at 20 years - which we don't feel is long-range planning. We talk of 86% of our land in federal ownership but of this 86%, I would say that a very small per cent is prime lands which, as you say, most is in private ownership. What is left, I think we need to retain. If we were to acquire lands for sale for the common of the school fund, we would find that these lands would be our prime lands that are left. We would have no use for our deserts. Nobody would buy them. We can't utilize them so we are talking again of just prime lands. I would like to read our news release that came out from our county game management board meetings. "At a regular meeting of the Washoe County Game Management Board, the state request for the land grant of 6 millions acres was discussed. At outward appearance, it looked favorable but digging into the quest, it was anything but desirable. First off, it was some mention of land for parks, wildlife and water sheds, but then went onto say the bulk of the 6 million acres would be land that would eventually be sold at auction to private owners who would end up with these lands. Airplane companies, large ranchers and land speculators with this type of ownership, the public loses access and use of these lands which is demonstrated by the growing number of "no trespassing" and "private property" signs. If this trend of trying to put public lands into private ownership continues, the only place for outdoor enthusiasts to go would be into parks that are available. A comment was made that our public officials seem to think that any land that isn't in private ownership is worthless with a further comment by Ronald Dowler that the taxes received will not compensate for the loss of public use. It would seem that with the growing population, people would attempt to preserve our public lands and not try to force development in areas where we are limited in our natural resources. In this report it stated that some money from the land sales would go to schools. It seemed that this approach is used too frequently to lead people into thinking that anything that helps schools is good, that if our younger generation ends up with no lands with which to expend their energies, there is a big void in one aspect of their education. Everyone should step back and take a hard look at these efforts to get rid of our public lands and to analyze who benefits from these deals. The taxpayer usually ends up subsidizing the large companies by increased taxes to meet demands on our resource. The board urges everyone to look into these programs and to let your congressional delegation know your feelings. Of course, we feel pretty strongly about this as you know - public lands going into private ownership and we felt that this report emphasized this, even though there is aspects for parks and recreation, we felt that it was so limited that if we lost our public lands, we would be losing all the way around."

Question of Mr. Toone by the committee.

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Dick Lair, Nevada Organization for Wildlife, gave testimony. We are relatively a new group. We haven't been in existence for quite a year yet. However, we have about 135 members at this time and the purpose of our organization is to promote and preserve hunting and fishing in the State of Nevada. We hope that we represent the general opinion of at least most of the sportsmen of the State of Nevada. Our organization has formally met and discussed this action, this resolution, and we would like to go on record as being opposed to it. For some of the same reasons that have just been mentioned by Mr. Toone, we are convinced that if there is any one thing that we can do to promote and preserve the quality of hunting and fishing in the future, it is to make sure that public land remains in the hands of the public. Now, we are not opposed to the funds to the school system. We are not involved in state versus federal control but the concept of public land going into private ownership certainly does not indicate that it is going to help hunting and fishing. The area that is going to be valuable for resale to the public is the same area that is valuable to private industry, is the same area that is valuable to the public. We feel that if there is anything we can do to promote future hunting and fishing and prevent this loss to the general public, is to make sure that this public land does remain in the hands of the public. There certainly would be a cost to dispose of this land. I think this should be taken into consideration. When you consider the value of the lands to the schools, how much profit will be lost through the administrative agencies that would have to be set up for 20 years study, etc. If you are talking about the economic impact, the value to the state I think we have to take into consideration - the economic value of recreation particularly in today's society where the population growth is so rapid. I think the Department of Fish and Game through the University of Nevada did a study of what the sportsman spent per day when he was in the field and when you take the entire family, what they spent as far as lodging, food, recreational vehicles. I think these things have tremendous economic value to the state and have to be taken into consideration at the same time you are considering the tax base. I think one basic rule of management is that you should never live off your capital and public land is one resource or capital. If you want to put it that way, they cannot be replaced. Once this land goes into private ownership, it is lost to the public forever.

Questions by the committee.

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Testimony by Dr. Robert V. Broadbent:

Dr. Broadbent introduced himself to the committee and gave testimony from the Fish and Game Commission. I have with me today, which I will give to each of you, a letter* which I filed with Wayne Aspinall, the Chairman of Public Land Law Review Committee, stating my opposition and minority report to the proposed 6.2 million land grant to the state. I was frankly alarmed this last month when I saw this bill come out for the following reason: Last summer, some of you may remember, a lot of discussion about this whole idea, this proposition hit the papers, hit the conservation groups, and I know of no one issue that created more heat and more discussion in every circle than did this proposed 6.2 million land grant. Mr. DeRicco talked to many groups in northern Nevada and, I think in other parts of the state about this proposition and I can tell you that all the groups that I went to, and this would be Mr. DeRicco's presentation, was met with extreme negativism. I see a lot of people that come through my medical office and they know I am interested in public fishing, hunting recreation. They tell me - they say, "Gee, doc, you gotta do something about this land grant thing." Well, at one time, we thought we knew a lot more than the public does and we were going to do a lot of things for the public on their behalf. But, I want to tell you the public knows about this land grant and they have talked about it a lot. Everyone, and I want to tell you, they are universally against it. And, I think it would be an extremely unpopular position to take as a politician to favor this thing. Now, I set forth my personal reasons for not cottoning to this concept in my report, and I won't go into it here. One thing, I would defend Mr. Toone, Chairman of the Washoe County Game Management Board, on the fact that this whole land grant thing is predicated on the tenant that sales to private individuals is the whole idea of this land grant - to generate tax revenues and profit for the benefit of the schools. If this land were given to state agencies, Norm as you proposed, the state would come out kinda goose-egg, except having another administrative problem. I don't see any profit into the schools or anybody. I asked Glen Griffith what kthe total acreage the State Fish and Game Commission owns or controls by lease agreement. It was something well under 100,000 acres. We are having difficulty funding administrating, and taking care of all this land. I can singularly be proud that my fish and game department either owns or controls for public every major waterfowl area in the state. Just think about that.

Question of Dr. Broadbent by the committee.

Meeting adjourned at 12:05 P.M.

*Exhibit C

STATE OF NEVADA

REQUEST FOR 6,000,000 ACRE
LAND GRANT

February 1970

Prepared by
Nevada State Committee on Federal Land Laws
201 So. Fall Street, Room 216
Carson City, Nevada 89701

ELMO J. DERICCO, *Chairman*
NORMAN S. HALL, *Vice Chairman, Secretary*

PAUL LAXALT
Governor



STATE OF NEVADA

State Committee on Federal Land Laws

CARSON CITY, NEVADA 89701

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Address Reply to
Nye Building, Room 216
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February 9, 1970

Summary

STATE OF NEVADA

Request for 6,000,000 Acre Land Grant

All through the hearings and deliberations of the Public Land Law Review Commission, we in Nevada have been aware of the economic inequities and hardships suffered by the residents of the State of Nevada in having their State 86.7% Federally owned. Nevada State boundaries encompass 70,745,600 acres of which only 9,293,000 are in non-federal ownership. In reality there are two Nevadas--one which ranks 7th in size among the 50 states in total land area and which is 86.7% Federally owned--and the other Nevada, made up of non-federal land composed of 9,293,000 acres which would rank Nevada as the 10th smallest among the 50 states.

These vast federally owned areas create expensive and inefficient operations for state and local governments to provide the needed governmental services. The Revenue Sharing and Payment in Lieu of Taxes Study prepared for this Commission attempted to analyze the additional costs. This was impossible because no detailed records are kept for this purpose. However, everyone knows

those additional costs are there even though the cost of identifying them would be prohibitive.

If the Federal government had disposed to non-federal ownership a reasonable amount of land since Nevada statehood in 1864, this request for an additional land grant would not be made.

Of the 9,293,000 acres in non-federal ownership in Nevada, 1,473,000 acres (or 2.1% of the area of the State) passed directly from federal to private ownership. The remaining area was originally granted land to railroads or the State.

The Nevada State Committee on Federal Land Laws has prepared a brief historical and economic analysis which is attached for your review and evaluation.

The Committee feels that Congress should provide a belated grant of land to Nevada for the benefit of its common schools. A grant of 6,205,522 acres, in addition to the 2,572,478 acres of land previously granted, would give Nevada a total of 8,778,000 acres for the common schools, and would place Nevada on a reasonable par with its neighbor states of Utah, New Mexico and Arizona.

The study reviews the early history of the area to the period of statehood, pointing to the circumstances leading to statehood and to the sacrifices made by the State to meet the responsibilities imposed as a result of the critical condition of the nation during the period of the Civil War.

Note is made of the benefits in land grants other states have received, of the inequities to the State of Nevada in the quantity

and quality of land granted, and of the limited benefits realized. While Nevada was permitted to exchange in-place land for quantity land of better quality, this was done at a sacrifice of approximately 47% of the area of the original grant. This resulted in the State of Nevada receiving a smaller percentage of public land than any other of the land grant states. This exchange also resulted in benefits to the Nation in the retention in Nevada of unbroken expanses of the public domain.

The amount of land granted to all public land states totals 319,759,585 acres, or 17.1%, per state. Nevada received 2,734,158 acres, or approximately 3.9% of its area. This is the least amount and the smallest percentage granted to any of the land grant states. In contrast, Arizona, New Mexico, and Utah, states most nearly comparable to Nevada in location, terrain, and quality of climate and soils, received approximately 11.0% of their area.

While Nevada has received less than its just share of land in land grants, the activities of the Federal government within the State are large and create a major tax burden on the private property owners of the State to meet the needs of children of government employees for public schooling and other services.

A 6 million acre grant to the State of Nevada would cause adjustment problems to the Nevada Highway Department, but the problems created would be minor and could be solved equitably by the Nevada Legislature. The State Committee on Federal Land Laws feels such an adjustment to be in the best interests of the people of the State of Nevada. It would create a new economic incentive

which would, in the long run, offset any temporary disadvantages to the matching funds of the Highway Department.

Calculations show that if the 6 million acres were sold for \$20 per acre, then a capital investment fund for the Permanent School Fund would be created in the amount of \$120,000,000. Investment of the \$120,000,000 at 6% would yield an annual return of \$7,200,000 for support of education in Nevada. If 6 million acres were moved out of Federal ownership, the Federal matching share would be reduced \$527,409 annually.

If the State of Nevada chose to retain some of the 6 million acres in State ownership for parks, fish and wildlife, or preservation of special ecological or environmental values, then the "break-even" point of \$527,409 of the State matching for Highway funds would be about 500,000 acres.

$$500,000 \text{ A} \times \$20 = \$10,000,000$$

$$\$10,000,000 \times .06 = \$600,000$$

This shows that 500,000 acres sold at \$20 per acre would bring \$10,000,000 in a capital investment fund. At 6%, the annual rate of return would amount to \$600,000 for the support of education.

The analysis shows that a 6,000,000 acre grant would serve the needs of education, parks, fish and wildlife and preservation of special ecological or environmental areas, and put Nevada on an equal footing with her sister states.

Some of the provisions which we feel should be considered in Federal legislation authorizing this grant are:

1. Before any land could be selected by the State, the Nevada Legislature must authorize a land use planning program to identify those lands most valuable for non-federal ownership. The planning process must have an input by and the concurrence of local and county government to insure compatibility with their planning and zoning programs. The plan must recognize those areas most valuable for permanent State ownership such as key wildlife, recreation, or ecological areas. All lands selected for permanent State ownership must provide for the preservation and enhancement of the environment.
2. After approval of the plan by the Nevada Legislature, those areas considered best suited for private ownership shall be sold through public auction. Funds received would be deposited in the permanent school fund for support of common schools.
3. The type of land to be selected within the State is any land best suited for non-federal ownership as determined by the State plan. It is understood that the plan will avoid selection of any lands needed for the national welfare. In many instances the enhancement of the environment and the preservation of the ecological balance can be best accomplished through non-federal ownership. In this manner, state and local people will have a strong hand in controlling their own environment and destiny. For efficiency of management, fee simple title is requested with no reservations.

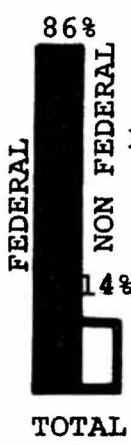
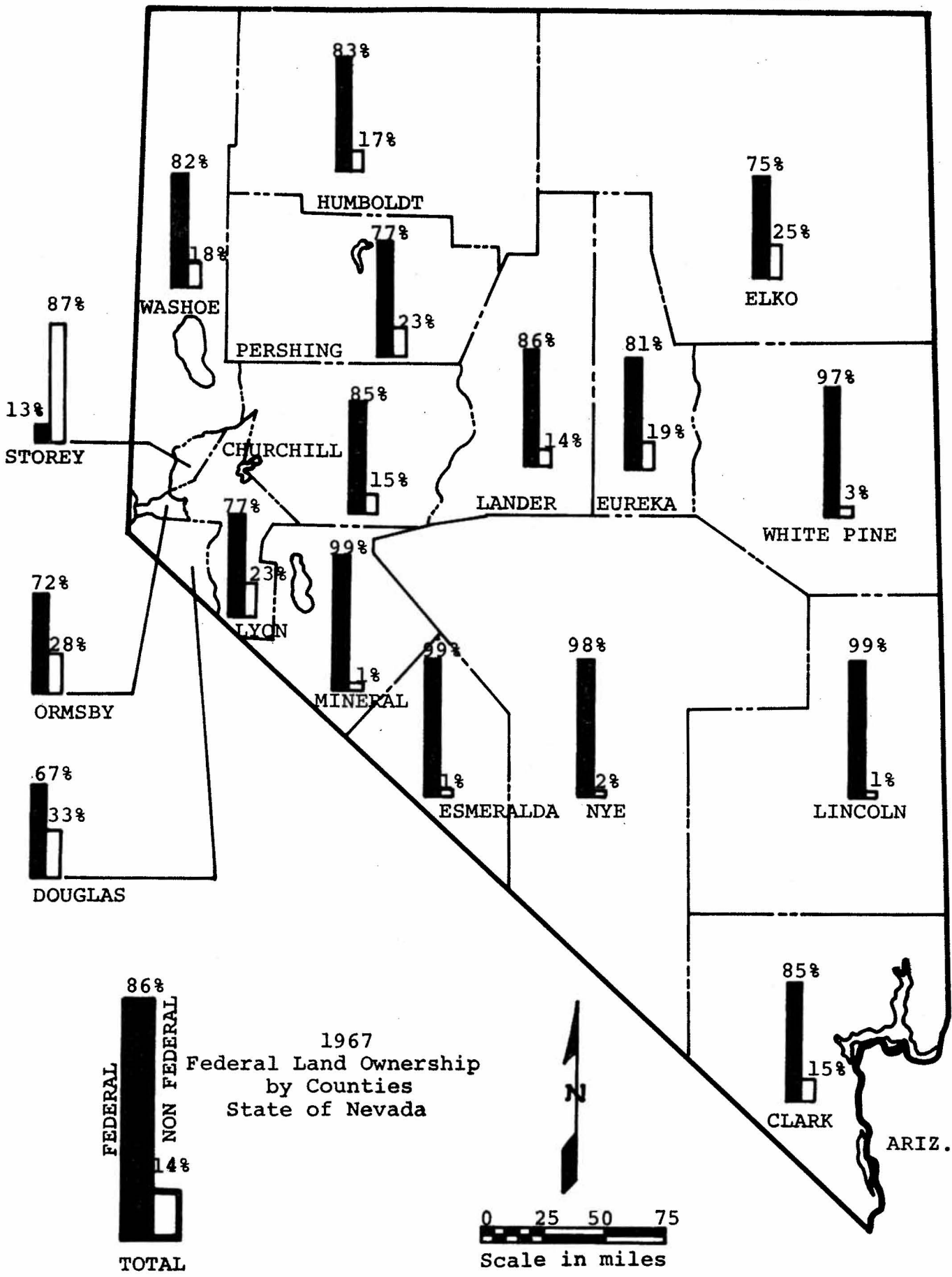
4. We would suggest a realistic time limit of at least 20 years to complete the total program.

In addition to implementing the previously mentioned Federal legislation, State legislation should make additional provisions in authorizing and managing this grant.

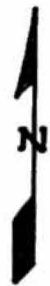
1. Some type of acreage limitation on individual sales to prevent speculation and to ensure the highest and best use of this land.
2. With concurrence of local government and their zoning, areas would be identified as suitable for sales as homesites to individuals for rural living environment.
3. Intensive land use planning must coordinate with State water planning, park and recreation planning, fish and wildlife planning, environmental planning, and federal land managing agencies, to ensure compatible total resource planning.

OREGON

IDAHO



1967
Federal Land Ownership
by Counties
State of Nevada



0 25 50 75
Scale in miles

LAND OWNERSHIP

Total Federal Ownership 60,573,000 Acres = 86%
Total Non-Federal Ownership 9,691,000 Acres = 14%

February 5, 1970

ECONOMIC IMPACT OF A 6 MILLION ACRE
LAND GRANT TO STATE OF NEVADA

There are a number of Federal statutes which provide financial assistance to States which are related to Federal land holdings with the States. Thus, payments are made to the states which are related to Federal land ownership in connection with the Federal highway construction program. These payments are not of the revenue sharing or payment in lieu of tax variety. Rather, under this legislation, payments are made to the States on a sliding scale of the costs for Federal highway construction. The percentage is either fifty or ninety percent of the construction costs plus an additional percentage. The additional percentage is based on the ratio of certain Federal land holdings in the State to the total land area of the State.

Similarly, the States benefit from the Forest Highway Program administered by the Bureau of Public Roads. Under this program funds are appropriated for the building of roads in National Forests, half on the basis of the acreage of National Forests within each State, and half on the value of National Forests within each State. The formula allocation was established in 1955 and, with but slight modifications, there have been no changes in the specific percentage apportionments of the appropriations since that date.

In addition, under the Public Lands Highways Program, States having unappropriated and unreserved public lands may receive funds for highway construction. The funds under this program are allocated to the States, when appropriated, "on the basis of need." Finally, under the educational impact legislation (Public Law 874) grants are made to local school districts where the Federal Government has acquired more than ten percent of the assessed value of the land within such district since 1938.

A review of Federal aid programs to states show that the only significant Federal aid program related to Federal land ownership is the Federal Highway Act. All other Federal aid programs are based primarily on population. Educational Aid is based upon the number of children of Federal employees attending public schools and is not related to ownership of land.

The Federal Highway Aid Act has been modified several times since its original passage in 1916. Originally, construction costs were shared on the basis of 50% Federal and 50% State. Today in Nevada, funds which are used for construction of Nevada highways classed as primary, secondary or urban roads are approximately 93% Federal and 7% State. These figures are based upon an area of Federal lands amounting to 61,313,204 acres, the total area of the state being 70,264,960 acres. This area constitutes 87.26% of the State total. The Federal Highway Act permits usage of one-half of this percentage, or 43.63% which, when added to the standard 50 percent matching share, makes the Federal share 93.63%,

and the Nevada share only 6.37%. In other words, $50\% + \frac{87.26}{2} = 93.63\%$, is the Federal share of highway construction cost in Nevada.

Matching money for the Interstate highway construction is a separate program and would not be affected until Federal lands are less than 50% of the State's land area. This is not applicable to this discussion.

At this point several conservative assumptions must be made to make a meaningful evaluation. They are:

1. Any land granted to Nevada would be those lands presently administered by the Bureau of Land Management.
2. The lowest land classification permitted by the Nevada Tax Commission would be used to establish tax value for computation. This would be \$1.25 per acre. If this grant is successfully pursued, undoubtedly assessors would place much of it in a higher classification. For this purpose, it is felt to be a conservative estimate.
3. The average tax rate for rural areas of the 17 counties of Nevada are:

Churchill	\$3.35	Lincoln	\$3.35
Clark	4.70	Lyon	3.35
Douglas	3.35	Mineral	3.35
Elko	3.35	Nye	3.35
Esmeralda	3.35	Ormsby	3.35
Eureka	3.35	Pershing	3.35
Humboldt	3.35	Storey	3.35
Lander	3.35	Washoe	4.70
		White Pine	3.35

Therefore a further assumption would be to use rural

area average tax rate of \$3.35 per \$100 assessed valuation. This reflects a conservative approach.

4. Another conservative assumption made was the sale price of \$20.00 per acre. We realize this is extremely conservative but such an assumption must be made to test the economic feasibility of this program.
5. The final assumption would be a 6% return on investing of funds in the permanent school fund.

Based on information supplied by the Nevada Highway Department, movement of Federal land out of Federal ownership would adversely affect the primary, secondary and urban road construction due to loss of Federal matching funds.

According to Table I, under existing conditions 93.63% is the Federal share. With \$10,334,240 in Federal funds available, Table I shows how decreases in Federal acreage would reduce the Federal portion of construction funds. If the State were granted 6 million acres, the Federal highway share would cost the State an additional \$527,409 to match the Federal allotment of \$10,334,240.

However, if the State received and then sold to private ownership the 6 million acres and it was classed by the tax assessor at the minimum value of \$1.25 per acre and using the \$3.35 average tax rate in the State, then $6,000,000 \text{ acres} \times \$1.25 \text{ per acre} \times .0335 = \$251,250$. This shows that the 6 million acres in private ownership, completely undeveloped, and taxed at the \$3.35 average tax rate,

would bring in \$251,250. Subtracting these taxes from the highway fund loss (\$527,409) shows a loss to the State of \$276,159. However, it is unrealistic to think that 6 million acres in private hands would continue undeveloped. It would serve as a new stimulus to the economy and generate much more than the \$276,159 loss to the State highway matching fund.

Assume that the 6 million acres were sold by the State at \$20.00 per acre with the revenue going into the Permanent School Fund; this would be $6,000,000 \times \$20 = \$120,000,000$. At 6% this \$120,000,000 capital would yield \$7,200,000 annually. ($\$120,000,000 \times .06 = \$7,200,000$ annual income.) This \$7,200,000 would be used to support the cost of providing public education.

Undoubtedly, the Nevada legislature would give serious consideration to keeping the State Highway Department "whole" and would allot them \$527,409 to cover their lost Federal contributions. One method would be to increase the present motor fuel tax 0.2¢ per gallon which would raise the \$527,409 loss attributable to 6,000,000 acres removed from Federal ownership.

Conclusion:

A 6 million acre grant to the State of Nevada would cause adjustment problems to the Nevada Highway Department. But the problems created would be minor and could be solved equitably by the Nevada Legislature. The State Committee on Federal Land Laws feels such an adjustment to be in the best interests of the people of the State of Nevada. It would create a new economic incentive

which would, in the long run, offset any temporary disadvantage to the matching funds of the Highway Department.

Calculations show that if the 6 million acres were sold for \$20 per acres then a capital investment fund for the Permanent School Fund would be created in the amount of \$120,000,000. Investment of the \$120,000,000 at 6% would yield an annual return of \$7,200,000 for support of education in Nevada.

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This analysis shows that a 6,000,000 acre grant would serve the needs of education, parks, fish and wildlife and preservation of special ecological or environmental values, and put Nevada on an equal footing with her sister states in the Union.

* * *

Table I

TOTAL ACRES 70,264,960

Primary, Secondary, Urban

<u>Acres</u>			
61,313,205 = $\frac{87.26}{2} + 50 = 93.63\%$		Total	\$11,037,317
		Federal	10,334,240
		State	703,077
60,313,205 = $\frac{85.83}{2} + 50 = 92.91\%$		Total	11,122,850
- 1,000,000 increase	\$85,533	Federal	10,334,240
		State	788,610
56,313,205 = $\frac{80.14}{2} + 50 = 90.07\%$		Total	11,473,565
- 5,000,000 increase	\$436,248	Federal	10,334,240
		State	1,139,325
55,313,205 = $\frac{78.72}{2} + 50 = 89.36\%$		Total	11,564,726
- 6,000,000 increase	\$527,409	Federal	10,334,240
		State	1,230,486
51,313,205 = $\frac{73.02}{2} + 50 = 86.51\%$		Total	11,945,717
- 10,000,000 increase	\$908,400	Federal	10,334,240
		State	1,611,477
41,313,205 = $\frac{58.79}{2} + 50 = 79.39\%$		Total	13,017,055
- 20,000,000 increase	\$1,979,738	Federal	10,334,240
		State	2,682,815
31,313,205 = $\frac{44.56}{2} + 50 = 72.28\%$		Total	14,297,509
- 30,000,000 increase	\$3,260,192	Federal	10,334,240
		State	3,963,269
11,313,205 = $\frac{16.10}{2} + 50 = 58.05\%$		Total	17,802,308
- 50,000,000 increase	\$6,764,991	Federal	10,334,240
		State	7,468,068
3,513,246 = $\frac{0}{2} + 50 = 50.00\%$		Total	20,668,480
or less		Federal	10,334,240
		State	10,334,240
- 57,599,957 increase	\$9,431,163		
or more			

HISTORY OF
LAND GRANTS IN NEVADA

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The purpose of this study is the development of a logical case for the correction of inequities suffered by the State of Nevada in the distribution of federal lands for the benefit of the common schools of the State through a grant of additional lands for this purpose.

The study reviews the early history of the area to the period of statehood, pointing to the circumstances leading to statehood and to the sacrifices made by the State to meet the responsibilities imposed as a result of the critical condition of the nation during the period of the Civil War.

Note is made of the benefits in land grants other states have received, of the inequities to the State of Nevada in the quantity and quality of land granted, and of the limited benefits realized. While Nevada was permitted to exchange in-place land for quantity land of better quality, this was done at a sacrifice of approximately 47% of the area of the original grant. This resulted in the State of Nevada receiving a smaller percentage of public land than any other of the land grant states. This exchange also resulted in benefits to the Nation in the retention in Nevada of unbroken expanses of the public domain.

The total amount of land granted to all public land states totals 319,759,585 acres, or 17.1%, per state. Nevada received only 2,734,158 acres, or approximately 3.9% of its area.

This is the least amount and the smallest percentage granted to any of the land grant states. In contrast, Arizona, New Mexico, and Utah, states most nearly comparable to Nevada in location, terrain, and quality of climate and soils, received approximately 11.0% of their area.

While Nevada has received less than its just share of land in land grants, the activities of the Federal Government within the State are large and create a major tax burden on the private property owners of the State to meet the needs of children of government employees for public schooling.

The Nevada State Committee on Federal Land Laws feels that Congress should provide a belated grant of land to Nevada for the benefit of its common schools. A grant of 6,205,522 acres, in addition to the 2,572,478 acres of land previously granted, would give Nevada a total of 8,778,000 acres for the common schools, and would place Nevada on a reasonable par with its neighbor states of Utah, New Mexico, and Arizona.

Pre-territorial History

Until the middle of the nineteenth century the lands which now comprise the State of Nevada experienced no organized political control. Nominal ownership of the area passed to the Spanish Empire of Ferdinand in 1494 with the pronouncement by Pope Alexander VI of the Line of Demarcation. The land was unknown and was merely identified as a spot on the map of Western North America. Father Garces approached the area from

the southwest and the party of Escalante and Dominguez explored along its eastern border in 1776.

Jedediah Smith, the first American to visit the area, passed through the southeastern part of the area on his journey from Salt Lake City to California in 1826. His route soon became the Old Spanish Trail from Santa Fe to California. Peter Skene Ogden entered the territory from the north and explored the Humboldt River area in 1828 and 1829. Joseph Redford Walker journeyed down the Humboldt River and over the Sierra Nevada Mountains via Walker Pass. Captain John C. Fremont discovered Pyramid Lake in 1844 and explored the northwest corner of the territory. He passed over the Sierra Nevada via Carson Pass. Emigrants followed the explorers. Bartelson and Bidwell traveled over the northern route, and the Rowland and Workman party followed the old Spanish Trail. The discovery of gold in California in 1848 greatly stimulated emigration to that state in the immediately following years. Discovery of gold and silver in Nevada in the 1850's induced many California gold seekers to journey eastward to the scenes of the newer discoveries and led to the founding of many mining towns.

The Treaty of Guadalupe Hidalgo in 1848 signalled the end of the Mexican War and the transfer of ownership of the territory which now comprises Nevada from Mexico to the United States.

Utah Territory

Nothing was done with the new territory from 1848 to 1850

while Congress debated the slavery question. The compromise of 1850 temporarily settled this question and permitted the entry of California into the Union. The balance of the new area obtained from Mexico was divided into the territories of Utah and New Mexico. The Utah territory had its beginning with the settlement of the Salt Lake City area by Mormons in 1847.

The attempt to provide a government for the Nevada part of the territory by the Utah territorial authorities was unsuccessful. Salt Lake City was a long distance away from the settlements along the east side of the Sierras and there was a mistrust of the Mormons. This mistrust was mutual and led to the recall in 1857 by the Mormon Church of Mormons who had settled in the valleys along the east face of the Sierras. The exodus of these settlers deprived the new territory of the stabilizing influence of the permanent inhabitant and home builder.

Nevada Territory

After the recall of the Mormon settlers there was left in the Nevada part of Utah Territory largely miners and politicians. A squatters' government was formed, a delegate sent to Washington, and a request made for Congress to form a new territory. This request was denied, but Congress acted in 1861 to form the Territory of Nevada. James W. Nye of New York was appointed as governor of the new territory.

Statehood Efforts

In 1863 when the Nevada Territory had been in existence a

little over one year, the citizens of the territory voted in favor of seeking admission to the Union. A constitution was framed and submitted to the people. The people rejected the constitution presumably because of the provision for the imposition of a tax on the proceeds of mines. This effort toward achieving statehood was locally inspired and was not authorized by Washington.

However, by this time the republicans in Washington were concerned about the votes needed for adoption of the 13th Amendment. A new movement for statehood was started, inspired by outside interests, and on March 21, 1864, Congress this time passed an act authorizing the admission of Nevada into the Union as a state on an equal footing with other states in the Union.

Statehood

The Comstock Lode in 1864 was at the peak of its productivity. Perhaps Congress may have been influenced somewhat in its decision to admit Nevada to the Union by the flow of gold and silver from this area.

Congress made sure that the new state would be republican and anti-slavery by requiring provision in the constitution, when prepared, which would guarantee these requirements. A constitution was drawn, approved by the Legislature, telegraphed to, and approved by Washington. On October 31, 1864, Nevada was admitted to the Union. Thus, in the brief space of sixteen years, the area

comprising the main part of Nevada had passed from Mexican territory, to unorganized American territory, to the organized territories of Utah and New Mexico, to the territories of Nevada and Arizona in 1861 and 1863, and to the State of Nevada in 1864.

Land Grants

A comparison of the enabling statehood acts, particularly the items pertaining to land grants for support of common schools, and especially for those states entering the Union after Nevada, is indicative of inequities in the grants made to Nevada. While the Nevada enabling act had the appearance of liberality in granting public lands for the use of the common schools and for other purposes, a close scrutiny of the grants made to Nevada in comparison to those made to those states admitted to the Union subsequent to the admission of Nevada belies this appearance. It appears that those states which were admitted during the earlier years were penalized.

Subsequent to the admission of Ohio in 1803, and prior to the admission of California in 1850, all states admitted to the Union had been granted one section of each township for the benefit of the common schools. In the case of California and each of the public land states thereafter admitted, until the admission of Utah in 1894, the enabling acts provided for the granting of Sections 16 and 36 of each township for the benefit of the common schools. In the cases of Utah, New Mexico, and Arizona, four sections of each township were granted to the state for this purpose. Oklahoma, the 46th state to be admitted was granted

two sections in each township in the unreserved public domain of the state, to the public schools. Two sections of Indian lands, when opened to settlement, were granted to the state with proceeds from the sale of these lands to be divided among the University of Oklahoma, and several other state institutions.

Table 1 shows by states the common school land grants made from 1864 to 1912 and shows that in comparison with other states Nevada received the least amount of land and the smallest percentage of its land area of any of the states admitted after 1864.

It should also be noted at this time that the State of Nevada as originally admitted in 1864 consisted of an estimated area of 81,539 square miles. The area was increased by additions in 1866 and in 1867.

The Bureau of Land Management's Public Land Statistics for 1967 gives the total area of Nevada as 110,540 square miles or 70,745,600 acres, of which 481,280 acres are water surface. The same document stated that 51,053,805 acres have been surveyed and 12,201,155 acres, or about 36% of the State, remain unsurveyed. The total area of the State, 70,745,600 acres, less the 481,280 acres of water surfaces, give an area of 70,264,220 acres of land.

There was apparently no change in the public land policy so far as the annexations of 1866 and 1867 were concerned. Provision for the acceptance of the land that was added in 1866 had been written into the constitution as it had been drafted and

TABLE 1

COMMON SCHOOL LAND GRANTS TO STATES ADMITTED

AFTER 1864

States in order of admission	Total area of state (acres)	Area granted to common schools	Percentage of area granted for common schools
Nevada	70,745,600	2,572,478 <u>1/</u>	3.6
Nebraska	49,425,280	2,730,951	5.5
Colorado	66,718,080	3,685,618	5.5
North Dakota	45,225,600	2,495,396	5.5
South Dakota	49,310,080	2,773,084	5.6
Montana	94,168,320	5,198,258	5.5
Washington	43,642,880	2,376,391	5.4
Idaho	53,476,480	2,963,698	5.5
Wyoming	62,664,960	3,470,009	5.5
Utah	54,346,240	5,844,196	10.7
Oklahoma	44,748,160	1,375,000	3.1
New Mexico	77,866,240	8,711,324 <u>2/</u>	11.2
Arizona	72,901,760	8,093,156	11.1

Source - Public Land Law Review Commission, LAND GRANTS TO STATES.
Table 1 - P. 16.

1/ - All grants, including the 500,000 acre grant originally given for internal improvements.

2/ - New Mexico received 1,000,000 acres for county bonds, which acreage was to revert to the common schools.

TABLE 2

SUMMARY HISTORY OF LAND GRANTS TO STATES FOR COMMON SCHOOLS
UNDER PROVISIONS OF STATE ENABLING ACTS.

STATE	DATE OF ADMISSION	GRANT OF ONE SECTION	GRANT OF TWO SECTIONS	GRANT OF FOUR SECTIONS
Ohio	1803	Section 16		
Louisiana	1812	" 16		
Indiana	1816	" 16		
Mississippi	1817	" 16		
Illinois	1818	" 16		
Alabama	1819	" 16		
Maine	1820	Not a public land state		
Missouri	1821	Section 16		
Arkansas	1836	" 16		
Michigan	1837	" 16		
Florida	1845	" 16		
Texas	1845	Not a public land state		
Iowa	1846	Section 16		
Wisconsin	1848	" 16		
California	1850		Sects. 16 & 36	
Minnesota	1858		" 16 & 36	
Oregon	1859		" 16 & 36	
Kansas	1861		" 16 & 36	
West Virginia	1863	Not a public land state		
Nevada	1864		Sects. 16 & 36 1/	
Nebraska	1867		" 16 & 36	
Colorado	1876		" 16 & 36	
North Dakota	1889		" 16 & 36	
South Dakota	1889		" 16 & 36	
Montana	1889		" 16 & 36	
Washington	1889		" 16 & 36	
Idaho	1890		" 16 & 36	
Wyoming	1890		" 16 & 36	
Utah	1896			Sects. 2,16,32,36
Oklahoma	1907		" 16 & 36 2/	
New Mexico	1912			" 2,16,32,36
Arizona	1912			" 2,16,32,36
Alaska	1959	Twenty-eight per cent of area		
Hawaii	1959	Not a public land state		

1/ Quantity land substituted for in-place grants as previously noted.

2/ Oklahoma was granted two additional sections of Indian reservations when opened to settlement to be applied to University, normal schools, an A & M school, and to charitable and penal institutions.

accepted. Article XIV, which is descriptive of the boundaries of the new state, provided in addition "...And whensoever Congress shall authorize the addition to the Territory or State of Nevada any portion of the territory on the easterly border of the foregoing defined limits, not exceeding in extent one degree of longitude, the same shall thereupon be embraced within and become a part of this state...."

An act of Congress concerning the Boundaries of the State of Nevada, approved May 5, 1866 - made provision for the transfer of the additional territory on the easterly border as anticipated in the above quoted provision of the Nevada constitution as follows:

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That, as provided for and consented to in the constitution of the State of Nevada, all that territory and tract of land adjoining the present eastern boundary of the State of Nevada and lying between the thirty-seventh and the forty-second degrees of north latitude and west of the thirty-seventh degree of longitude west of Washington, is hereby added to and made a part of the State of Nevada.*

By the same act Congress also made provision for the addition of that portion of the present State of Nevada which lies to the south of the thirty-seventh degree of north latitude, west of the thirty-seventh degree of longitude west of Washington, D.C. (approximately the 114⁰ of west longitude) and the Colorado River, and east of the eastern boundary of California, to the State. The act provided, however, that this should become a part of the State of Nevada only after the legislature should

* Koontz, Political History of Nevada 1965 (Fifth Edition)
P. 90

give consent thereto. The Legislature, by joint resolution on January 18, 1867, accepted the offer of Congress and made this land a part of the State of Nevada.

Positive surveys, made since the annexations of 1866 and 1867 have determined the land area of Nevada at 109,788 square miles, or approximately 70,264,220 acres. Of this total area, Nevada was officially entitled to 3,904,746 acres of land for the benefit of the common schools.

Two Million Acre Trade

The 1879 regular session of the Nevada Legislature memorialized Congress to permit Nevada to exchange its 16th and 36th section grant for 2 million acres to be selected from unappropriated nonmineral land. In 1880 Congress authorized this exchange. Apparently reasons for this exchange of about 3.9 million acres for the 2 million acres were: (1) long delays in securing surveys to identify the 16th and 36th sections, (2) immediate need for funds for educational purposes, and (3) the feeling that, even after being located, many of the school sections would be remote and worthless.

In 1880, sixteen years after Nevada was admitted to the Union, only about 63,249 acres of the original 3.9 million acre grant had been sold. Another 9,228.62 acres had been selected but not contracted for. Both blocks of land, amounting to approximately 72,478 acres, or 1.8% of the original area, were granted to Nevada in addition to the 2 million acres involved in the exchange.

While the privilege of selecting the land has been referred to as a "unique advantage" for Nevada, it should be pointed out that the advantages were not confined to the State of Nevada. In giving up the in-place sections, valuable areas of national forest lands were returned to the public domain. Other governmental departments and agencies which also have benefited by unbroken expanses of public domain land in Nevada include the Bureau of Land Management, the Fish and Wildlife Service, the National Park Service, the Bureau of Reclamation, the Atomic Energy Commission, and the Department of Defense.

Quantity of Land Granted

One of the most prominent of the inequities in the grants of land to the various public land states is in the quantity of land granted.

While this item has been previously reviewed, Table 3 is presented to show the extremes in the land grants and contrasts the land grants made to Nevada with those made to New Mexico. It further points to grants made to the latter state during the period it existed as a territory as well as at the time of statehood.

While this study is directed to the inequities in the acreage of the grants of school lands to the respective states, this table points also to the numerous purposes for which grants were made in the case of New Mexico, and few purposes mentioned in the case of Nevada.

COMPARISON OF LAND GRANTS TO NEVADA AND NEW MEXICO

N E V A D A		N E W M E X I C O			
Purpose of Grant	Grants to Territory	Grants under Enabling Act	Grants to Territory	Grants under Enabling Act	
Common Schools	Nevada received no grants as a Territory.	2,072,478 <u>1/</u> acres	4,355,662 acres	4,355,662 acres	
University		46,080 "	65,000 "	200,000 "	
Agri. College			100,000 "		
Capitol Bldg.			32,000 "		
Water Reservoirs			500,000 "		
To increase river flow			100,000 "		
Insane Asylum			50,000 "	100,000 "	
School of Mines			50,000 "	150,000 "	
School for Deaf and Dumb			50,000 ")		
School for Blind			50,000 ")	100,000 "	
Normal School			100,000 "	200,000 "	
Miner's Hospital, Governor's Palace, etc.			50,000 "	50,000 "	
Common School Fund			5% of sales pub. lands	5% of sales pub. lands	5% of sales pub. lands
Public Roads and Ditches			500,000 <u>2/</u>		
Public Buildings			12,800 acres		100,000 "
Penitentiary		12,800 "		100,000 "	
Charitable, Penal and Reform				100,000 "	
Agricultural and Mechanical College (School of Mines)		90,000 "		150,000 "	
Military Institute				100,000 "	
For County Bonds to revert to Common Sch.				<u>1,000,000 "</u>	
TOTAL		<u>2,734,158 <u>3/</u></u>	<u>5,502,662 "</u>	<u>6,705,662 "</u>	

Footnotes to Table 3, page 13.

- 1/ Consists of 2,000,000 acres exchanged plus 63,249 and 9,228.62 acres sold or selected prior to 1880.
- 2/ Originally granted for internal improvements, but later credited to the common schools.
- 3/ Of the total of 2,734,158 acres of grants to the State, 2,572,478 acres of the grant lands accrued to the common schools, and 161,680 acres of grants were for other purposes.

Source - Public Land Law Review Commission Land Grants to States. April, 1969, and Nevada Department of Conservation and Natural Resources, Division of State Lands.

Nevada has received, in public land grants for all purposes a total of about 2,734,158 acres, or about 3.9% of the land area of the State; in contrast New Mexico has received 12,208,324 acres or about 16% of the land of that state.

In even more striking contrast to the allotment of land to Nevada is the grant of public lands given to the new State of Alaska. The enabling act providing for the admission of Alaska to the Union was approved on July 7, 1958. This State, also comparable to Nevada in the great expanses of open waste lands, was granted 30% of the land area of the State, or some 102,550,000 acres of public land and 400,000 acres of national forest land. Furthermore, in view of the fact that "...Place grants such as school sections given all other states would make little sense in Alaska, given the nature of the vast wasteland, any more than they had in Nevada..."* the right of selection was left to the State with no restrictions on vacant, unappropriated and unreserved lands at the time of their selection, including mineral lands and lands under oil and gas leases.

Quality of Land Granted

Another obvious inequity in the grants of school lands lies in the general category of the quality of the land granted. Although the amount of land originally granted to Nevada was proportionately twice as much as that granted to the State of Ohio, which was admitted in 1803, the land in the two states

* Public Land Law Review Commission, History of the Public Land Law Development, 1968 - P. 316.

varied greatly in quality. The greater portion of the in-place grant land in Nevada was of little or no value at the time it was granted, and has gained little in value since that time.

The land of Ohio, on the other hand, was quite uniformly of outstanding value. Although presenting a variation in nature of the soils and geological formations, the land provided the basis for a variety of uses and could be adapted to a number of industrial and agricultural pursuits.

The contrast is even more accentuated by the population capacity of the two states. Ohio, with a total land area of 41,222 square miles, ranks sixth among the states in population while the State of Nevada, with a land area of 109,788 square miles, held the position of the least populated state until the census of 1960 placed her third from the bottom.

Although Nevada was given the privilege of selecting the two million acres of land in lieu of the original grant of in-place land, the exchange was made at the expense of 1,832,268 acres of the original grant.

The realities of the dual inequities of quantity and quality of land granted to the various states is well illustrated by Table 4 which reflects the status of the common school lands, the permanent funds or income derived therefrom, and the benefits which accrue to the respective states with which Nevada may be compared.

TABLE 4

Status of Land and/or Permanent Fund, Including Income from
Permanent Fund by States (Western Group) as of July 1, 1968 1/

State	Total Land Granted (Acres)	Grant Land Still Owned (Acres)	Permanent Fund Value <u>2/</u> (\$)	Annual Expendable Fund Value <u>3/</u> (\$)
Arizona	10,543,673	9,361,935	19,394,000.00	2,367,086.14
California	8,822,398	617,000	32,983,017.00 <u>4/</u>	2,917,959.00
Colorado	4,433,898	3,021,035	31,884,802.00	3,750,326.00
Idaho	3,639,555	2,533,820	54,820,584.85	2,188,894.57
Montana	5,871,058	5,125,021	47,124,856.59	6,045,889.20
Nevada	2,734,158	1,408	6,821,787.51	694,487.81
New Mexico	12,789,916	9,085,366	356,029,571.42	16,185,194.87
Oregon	4,375,515	723,986	14,726,795.00	3,311,856.00
Utah	7,464,497	3,706,623	11,959,729.81	1,661,395.06
Washington	3,044,471	2,235,572	111,152,243.00	5,079,292.00
Wyoming	4,139,209	3,650,178	75,932,587.30	4,114,647.02

Public Land Law Review Commission.
Land Grants to States. April 1969.

Par Value used in reporting investments.

Income from rents, royalties, interest, etc.

As of 1965. The fund was abolished
July 1, 1965.

Federal Land Holdings in Nevada

Excluding Indian trust property, the holdings of the federal government in Nevada amounts to 60,971,262 acres, or 86.774 percent of the land of the State. The Indian reservations within Nevada amount to about 1.1 million acres. None of these federal lands are taxable. Seventeen agencies of the federal government currently hold and have jurisdiction over this public land. Much of this land does not serve any purpose of the federal government, but could be turned over to the State of Nevada and placed in private hands for development and production.

The federal agencies not only pay no taxes on the land controlled but their employees add to the school population and to the burden of the public schools to provide education.

TABLE 5

FEDERAL AGENCIES WHICH RANK AMONG THE MAJOR LAND HOLDERS IN NEVADA

Department of Agriculture:

Forest Service	5,059,461 acres
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Department of the Interior:

Bureau of Land Management	47,749,645	"
Fish and Wild Life	2,909,034	"
National Park Service	115,880	"
Bureau of Reclamation	1,160,812	"

Atomic Energy Commission	817,019	"
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Department of Defense	3,149,425	"
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Other Agencies	9,986	"
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Total	60,971,262 acres
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Source: Bureau of Land Management, Public Land Statistics, 1967

Federal Land Disposal Laws in Nevada

The general land laws for disposal of federal land to private individuals have never worked well in the State of Nevada. Table 6 shows that only 2.1% of the state passed from federal to private ownership through the general land laws.

TABLE 6

LAND OWNERSHIP PATTERN IN NEVADA

	<u>Million Acres</u>	<u>Percent</u>
Area of Nevada (Land)	70.264 <u>1/</u>	100
Area owned by U.S.	60.971	86.7
Area not owned by U.S.	9.293	13.2
Grants to Railroad	5.086	7.2
Grants to State	2.734	3.9
Area moved from federal to private ownership	1.473 <u>2/</u>	2.1

1/ Land area exclusive of the area of water surface.

2/ This area comprises homesteads, enlarged homesteads, desert land entries, and scripted lands.

Also it should be pointed out that much of the in-place railroad grant of originally 5.086 million acres has been sold. The current railroad grant holdings are about 1.584 million acres. The State of Nevada has sold essentially all of its grant lands.

The Inequity of Vast Federal Holdings

Public Land Statistics (1967) reveals that of a total acreage of 1,901,756,160 in the contiguous United States, 352,789,100 acres, or in excess of 18%, is held by the federal government. In the Western public land states ownership by the federal government ranges from a low of 29.6% in Montana to a high of 86.7% in Nevada.

The ownership and control of such a large portion of the land area by the federal government has been referred to, and perhaps rightly so, as "Social Ownership" as contrasted to that which should normally be held for essential governmental functions.

This is contrary to American thought and to the American way of life. America has become great as a result of the philosophy and practice of the dignity of the individual, and his inherent right to direct his own destiny and to control his own affairs. Government ownership of vast areas of land when needed by man in his pursuit of happiness denies these inherent rights.

Also significant as an inequity in the State of Nevada is the increased tax burden imposed on the state by the federal ownership of the great portion of the land. Recent and current development and use of large sections of this land within the state has tended to magnify these inequities at the expense of the public schools and local governments.

Nevada Claims Justified

In support of the claims of Nevada for additional land grants, extracts from an evaluation made in 1916 by Acting Secretary of Interior, Andrieus A. Jones, are cited. This support came in the form of a review and evaluation of Senate Bill 2520 which sought a grant to the State of Nevada of 7,000,000 acres of land for the use and benefit of the public schools of the State.

"...The Federal land grants made by Congress to the more recently admitted States of Arizona, New Mexico, and Utah, to aid in the establishment and maintenance of State educational and other institutions amount to 10,489,000, 12,406,000 and 7,414,000 acres, respectively, or approximately 14 per cent of the gross land areas of these States. Said grants included quantity grants of over 2,300,000 acres to Arizona, over 3,600,000 to New Mexico, and over 1,500,000 to Utah. These states also have the right to claim 1,000,000 acres or more of desert land under the Carey Act. In point of climatic conditions, topography, character of lands, resources, and population, these three states are doubtless more nearly similar to the State of Nevada than any others, though Arizona, according to the 1910 census, has more than double, and Utah and New Mexico more than three times the population of Nevada. Manifestly either the grants to these newer States are excessive or Nevada has hardly received sufficiently liberal assistance from the Federal Government for educational purposes, assuming her needs to be the same or substantially so..."

"...While Congress has made liberal grants for education and support of State institutions, it has consistently held to settlement and development as the primary object in the disposition of the great body of the public lands. So with this bill, I think the only question for consideration is whether or not, under all the circumstances, Nevada has received just and fair treatment in the way of public-land grants for educational and other State institutions. The figures hereinabove given, taken in conjunction with the well-known extreme aridity of large areas of the State and the consequent lower prices that may be realized from the lands granted, rather force the conclusion that the State of Nevada has not received the same liberal treatment as other States similarly situated.

I do not consider, therefore, that a reasonable additional grant to the State within the limitations of the general principles above stated, would be objectionable or a violation of the uniform policy of Congress for many years, but rather a just application of that policy. In this connection I am not unmindful of the fact that no quantity grant as large as that here proposed has ever been made before; on the other hand, under the conditions obtaining in the State of Nevada, doubtless a place grant would be of comparatively small value. I am inclined to the belief, therefore, that while a quantity grant is doubtless preferable, in view thereof, your committee may very properly recommend that the area granted be somewhat reduced from that provided in the bill."

Since the foregoing study was made the conditions and circumstances in Nevada have not changed except for the single one of need. This one has grown tremendously and continues to grow from day to day. Since 1916, the date of the study and recommendation, the population of Nevada has increased in excess of 600 per cent. The enrollments of the public schools have grown apace. The needs of the public schools, because of accelerated demands, have grown at a much greater rate.

In summary, the grants of public land heretofore made to Nevada, while large in quantity, have been small in relation to the area of the State. An additional grant to place the State on an equal basis with the states more recently admitted to the Union is needed and justified.

These data and discussions provide justification for a belated grant of land for the benefit of the common schools of Nevada. A grant of 6,205,522 acres, in addition to the 2,572,478 acres of land previously granted, would give Nevada a total grant of 8,778,000 acres for the benefit of the common schools.

Such an amount of land would place Nevada on a reasonable par with its neighbor states of Utah, New Mexico, and Arizona.

A release of an equitable quantity grant of the public lands of Nevada to the State for aid to the public schools would also serve other purposes. It would make available land for an expanding population within the State and would help also to meet the needs of the Nation.

STATE OF NEVADA
DEPARTMENT OF FISH AND GAME

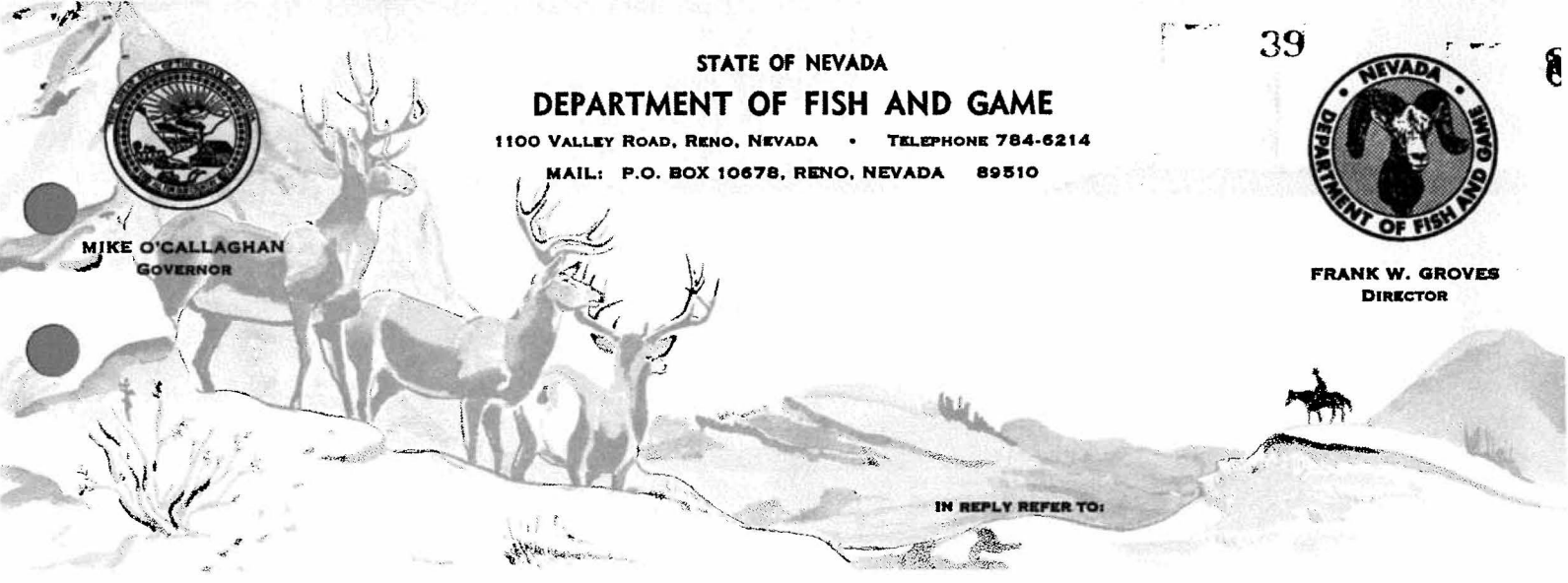
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MIKE O'CALLAGHAN
GOVERNOR



FRANK W. GROVES
DIRECTOR



February 17, 1971

MEMORANDUM

TO: The Honorable Virgil Getto
Chairman, Committee on Agriculture

FROM: Frank W. Groves

SUBJECT: A.J.R. 12

The Nevada Department of Fish and Game and the Nevada State Board of Fish and Game Commissioners appreciate this opportunity to offer the following statement pertinent to A.J.R. 12 which "Memorializes the Congress to authorize land grant to Nevada."

1. The request does not stipulate the specific lands or even the class of lands that are requested.
2. At the time of statehood, Nevada was originally granted Sections 16 and 36 totaling 3.9 million acres of land. Nevada chose however, to accept select lands of higher quality and reduce the statehood grant to 2 million acres. These procedures were in conformance with accepted land grants awarded to the several western states. Inference to unfair treatment that Nevada received should better describe the finalization of grants rather than the grant alone.
3. At this time, only two states, excluding Alaska, have unfulfilled grants. If the phenomena of land grants were re-opened for the purpose of rectifying inequities in the amount of land that the several states received, there would be insufficient federal public lands to award. This would require the transfer of all lands now in federal ownership to satisfy the 36% of its land area that was granted to Louisiana. Even then each state,

Mr. Virgil Getto

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although equal in percent of its land area received, would still be far short of Florida which was granted 67% of its land area.

4. Land grants were not offered the states as a statehood bonus. They were the result of bilateral agreements that set aside lands for state purposes and administration and to establish authority and prerogatives of the state and federal public lands.
5. The land grant is requested for disposal to benefit the common schools and to alleviate the tax burden.

Lands suitable for intensive agriculture, industrial development and municipal expansion have been, or are in the process of being so classified under the Classification and Multiple Use Act in all areas of the state excluding Elko County. Adequate disposal policies and procedures are presently available for transfer of these lands. It is recognized that only those lands that have been intensively developed to realize their potential will significantly influence the tax return.

The Department of Fish and Game and the Board of Commissioners have actively supported and participated in the classification of lands. This has given fish and game the opportunity to identify those lands valuable for their wildlife and recreational amenities as important economic and social factors under the multiple use principle of management. To allow that class of land to slip into private ownership and singular use, would be to the advantage of land speculation at the expense of the general public land user.

6. The Public Land Law Review Commission report, "One Third of Our Nations Lands", has recommended a system of payments in lieu of taxes. This proposal together with what federal public lands provide in public values under multiple-use management should be the prime criteria for disposal evaluation and consideration.
7. Nevada is indeed unique in the amount of federal public land within its borders. This phenomena provides a wide latitude of envious outdoor freedom and land use that is unique within all the continental United States.

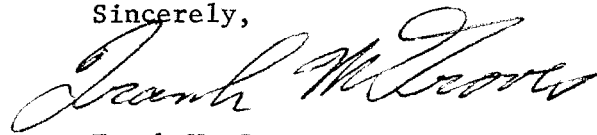
Mr. Virgil Getto

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8. Predicated on the foregone considerations, the Nevada Department of Fish and Game, together with the State Board of Fish and Game Commissioners, is opposed to the intent declared in A.J.R. 12 as not being in the best interest of the general public or to the resources for whose management we are charged.

Sincerely,



Frank W. Groves
Director

GKG:vd

Mr. Broadbent

June 25, 1970

Mr. Wayne N. Aspinall, Chairman
Public Land Law Review Commission
House Office Building
Washington, D. C.

Dear Mr. Aspinall:

As an official member of the Nevada State Committee on Federal Land Laws, I am respectfully submitting to you my negative minority report on Nevada's request for a 6.2 million acre land grant. I oppose this proposition for the following reasons:

1. Almost without exception the only federal lands in Nevada that would be desirable for private ownership are also areas of prime wildlife habitat. Private ownership of these lands therefore would be inimical to this State's fish and game resources whose recreational value is inestimable.
2. Public access to many areas of prime recreational value would be further compromised by private ownership of lands now under the aegis of the Federal Government. That such situations already exist, to the frustration of many recreationists, is exemplified by the fact that many of the Humboldt National Forest lands in Elko County are virtual islands of unreachable public domain ringed by private property.
3. The oft-cited allegation that Nevada's original land grant was inequitable in comparison to those in Oregon, Colorado, Arizona and Utah is not well-founded. Nevada's topography and relative scarcity of water makes its proportion of arable or industrial land smaller than the state's mentioned, justifying the large proportion of Nevada land kept in Federal ownership.
4. The argument that a Federal land grant would broaden Nevada's tax base is also assailable. Large blocks of public land falling into private ownership would be lost to recreationists, and outdoor recreation has a major economic impact on Nevada. Furthermore, much of the land proposed for sale would be taxed at rates so low as to be vulnerable to dissipation by administrative costs.

Mr. Wayne N. Aspinall

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June 25, 1970

5. Any citizen with any tax-paying experience should be highly suspicious of the stipulation that the tax money to accrue from a land grant would go to the support of the common schools. No such special tax has ever been successfully channeled to a special use. Even if this tax were the exception, a simple act of the legislature would be the only prerequisite for other interests to "belly up to the trough."

6. The estimated 20 year period required for the completion of the project would be grist for the mill of a giant political boondoggle. I can envision an entire new agency in Carson City, resplendent with a new building, a retinue of Federal and State appointees, and a swarm of subcommittees of many special-interest and professional land using groups. The thousands of conference hours and their resultant mountain of paper work would produce a tax burden nothing short of prodigious.

My opposition to the proposed land grant has the support of the overwhelming majority of Nevada's conservationists and sportsmen as well as the following groups: The Nevada Wildlife Federation, The Washoe County Game Management Board, The Nevada Association for Progressive Fish and Game Legislation, and the Nevada State Fish and Game Commission.

Yours truly,

Robert V. Broadbent, M.D.
601 Mill Street
Reno, Nevada 89502

MEMBER:
Nevada Fish and Game Commission
Governor's Outdoor Recreation
Coordinating Committee
Nevada State Committee on Federal Land Laws

RVB:vd