

MINUTES OF THE
MEETING OF THE SENATE COMMITTEE
ON NATURAL RESOURCES

SIXTY-FIRST SESSION
NEVADA STATE LEGISLATURE
March 18, 1981

The Senate Committee on Natural Resources was called to order by Chairman Norman Glaser at 12:15 P. M., Wednesday, March 18, 1981, in Room 323 of the Legislative Building, Carson City, Nevada. Exhibit A is the Meeting Agenda. There is no Attendance Roster.

COMMITTEE MEMBERS PRESENT:

Senator Norman Glaser, Chairman
Senator Joe Neal
Senator James H. Bilbray
Senator Lawrence E. Jacobsen

COMMITTEE MEMBERS ABSENT:

Senator Floyd R. Lamb
Senator Wilbur Faiss

STAFF MEMBERS PRESENT:

Mr. Robert E. Erickson, Senior Research Analyst
Carolyn L. Freeland, Committee Secretary

This meeting was a work session on bills which had previously been heard.

Assembly Bill No. 9

Mr. Erickson explained the amendments to this bill which had been written by the Legal Division. There was a brief discussion regarding the title policy provision, and Senator Bilbray expressed some fears in this regard. He recommended an amendment to alleviate these problems.

Senator Neal moved Amend and Do Pass
Assembly Bill No. 9 (Exhibit B) including
Senator Bilbray's amendment.

Senator Jacobsen seconded the motion.

The motion carried unanimously. (Senators Lamb and Faiss were absent for the vote).

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Senate Bill No. 164

Mr. Erickson explained the amendments, saying they were worked on by a subcommittee consisting of Senator Jacobsen, Senator Bilbray, Mr. Kelly Jackson of the Department of Energy, and himself. He continued there were very significant changes made to the original bill, and it was his understanding the committee's intent was to send the bill to the Floor for a reprint and have it re-referred to the committee, possibly for more discussion.

Senator Neal asked if the committee was satisfied with the amendments. Mr. Erickson replied they are consistent with the recommendations of the subcommittee. The Chairman said if it was agreeable with the committee, he would get a reprint and have the bill referred back to the committee so it may take one more look at it. The Chairman entertained a motion to Amend and Do Pass with the concept of re-referral.

Senator Neal moved Amend and Do Pass
Senate Bill No. 164 with re-referral
to the committee. (Exhibit C)

Senator Bilbray seconded the motion.

The motion carried unanimously. (Senators Lamb and Faiss were absent for the vote).

Senate Bill No. 215

Mr. Erickson gave a brief history of the bill. He said a small amendment had been suggested to clarify the Attorney General's role.

Senator Bilbray moved Amend and Do Pass
Senate Bill No. 215. (Exhibit D)

Senator Neal seconded the motion.

The motion carried unanimously. (Senators Lamb and Faiss were absent for the vote).

Senate Joint Resolution No. 17

Mr. Erickson discussed the amendments, saying there had been three sets of them drawn up. Senator Bilbray said he would like to see the amendments printed again as it is such an

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important bill and one not to be considered hastily. He would recommend the amendments be printed and the bill come back to the committee.

Mr. Erickson explained the details of the amendments and the changes in the language. He said in the latest amendments the proposal is to delete the approval material out of the language and place it all in one section. Mr. Crockett added the Select Committee's view on approvals was that it should be either the governor or the legislature giving such approval, except in the case of leases, which could be approved by a committee of the legislature when not in regular session.

Senator Bilbray said he favored the fact that perhaps a committee could lease property when the legislature is not in session, subject to approval at the next session of the legislature and not five years hence as suggested in Amendment #280.

Senator Neal said he still had a problem with putting a committee into the Constitution, as this amendment would do. He also brought up the subject of how a constitutional amendment is adopted. There was a discussion on the legal aspects and ramifications of this matter. He stressed when the legislature passes a constitutional amendment, it has to be one which the people will approve.

Senator Bilbray said it seems to be the consensus of the committee that it does not want a committee to have approval power. Chairman Glaser said he would like to see the bill reprinted and sent back to the committee. Senator Bilbray reiterated the committee referred to in the amendment should not have anything to do with public land.

Mr. Erickson wished to clarify the amendments in order to know which ones to use. The language in Amendment #221 could be changed, eliminating referral to committee approval when not in session. The provisions in Amendment #280 pulled out all the approval procedures for each of the exceptions and placed them at the end of the bill. The Chairman asked the committee if it wished to follow that concept. Senator Neal wished to take out reference to a committee of the legislature.

The Chairman asked for the recommendation of Mr. Will Crockett, Legislative Counsel, in the matter. Mr. Crockett felt it would be best to use Amendment #221, leaving approval procedures in on each section, pulling out the committee of the legislature portion.

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The Chairman said it was the recommendation of legal counsel the committee approve the format wherein each disposition clause would indicate the approval necessary as set forth in Amendment #221. He asked the committee if it was agreeable to amending this bill with Amendment #221, deleting the reference to the committee of the legislature. He said the resolution could be reprinted and referred back to the committee.

Senator Neal suggested using the language "or a committee approved by the legislature." Senator Bilbray explained the desire for a provision precluding the Constitution from mandating the creation of a committee, retaining for the legislature the right to create a committee.

Mr. Crockett suggested that, on page 2, lines 37 and 38, that (b) be an alternative to (a). He also made reference to the previous suggestion of inserting "subject to ratification by the legislature at the next regular session."

Senator Bilbray continued to express doubts on the matter, saying in no way should such language be construed wherein intent could be questioned.

Mr. Crockett made further suggestions as to revision of Section 2, subsection 7. He said what could be done would be to say (a) or (c), then, flush, "The legislature may provide by law for a committee of the legislature when the legislature is not in regular session..." Senator Bilbray added "subject to the approval of the legislature at the next session."

Chairman Glaser said if agreeable with the committee, an amendment with the above language be prepared and added to Amendment #221; then, the bill would be reprinted and referred back to the committee. The Chairman called for a motion to Amend and Do Pass with re-referral.

Senator Bilbray moved Amend and Do Pass
Senate Joint Resolution No. 17 with re-referral
to the committee. (Exhibit E)

Senator Neal seconded the motion.

The motion carried unanimously. (Senators Lamb and Faiss were absent for the vote).

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Assembly Joint Resolution No. 10

Senator Neal moved Do Pass
Assembly Joint Resolution No. 10. (Exhibit F)

Senator Bilbray seconded the motion.

The motion carried unanimously. (Senators
Lamb and Faiss were absent for the vote).

Assembly Joint Resolution No. 15

Senator Neal moved Do Pass
Assembly Joint Resolution No. 15. (Exhibit G)

Senator Jacobsen seconded the motion.

The motion carried unanimously. (Senators
Lamb and Faiss were absent for the vote).

Senate Bill No. 347

Chairman Glaser referred to the three minor corrections
made in the bill. Senator Neal said he had not been present
for the discussion on the bill and asked for an explanation
of the changes.

Senator Jacobsen requested the bill be held as there had been
a request from a witness to present further testimony, and
there had been implied consent to this request.

Chairman Glaser said he did not want to delay the passage of the
bill but agreed to hold the bill as requested.

There being no further business, the meeting adjourned at
12:40 P. M.

Respectfully submitted by:


Carolyn L. Freeland, Secretary

APPROVED BY:


Senator Norman Glaser, Chairman

DATE: March 25, 1981

SENATE AGENDA

REVISION

COMMITTEE MEETINGS

EXHIBIT A

Committee on Natural Resources, Room 323.

Day Wednesday, Date March 18, Time Immediately
upon adjournment

CONSIDERATION OF AMENDMENTS TO SENATE BILL NO. 176--Provides for legislative or gubernatorial approval of acquisitions of uses of certain lands by Federal Governments. RESCHEDULED TO MONDAY, MARCH 23, 1:30 P. M., Room 323.

ADDITIONAL AGENDA FOR WORK SESSION ON BILLS ALREADY HEARD

A. B. No. 9--Provides for use of real property as security by livestock dealer in lieu of surety bond. Amendment No. 236.

S. B. No. 164--Relates to the development of geothermal resources; provides for administration and utilization. Amendment No. 219.

S. B. No. 215--Authorizes attorney general to bring action if Federal Government's use of public lands impairs state sovereignty. Amendment No. 274.

S. J. R. No. 17--Proposes constitutional amendment to regulate management and disposal of state lands. Amendment No. 221.

A. J. R. No. 10-- Encourages Federal Government to build and maintain routes of access upon federal lands.

A. J. R. No. 15--Memorializes Congress to provide for return to multiple use of public lands dropped from consideration as a wilderness.

S. B. No. 347--Corrects errors made in amendment of Tahoe Regional Planning Compact.

A. B. 9

ASSEMBLY BILL NO. 9—ASSEMBLYMEN
BERGEVIN AND MARVEL

JANUARY 20, 1981

Referred to Committee on Commerce

SUMMARY—Provides for use of real property as security by livestock dealer in lieu of surety bond. (BDR 50-341)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.



EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to livestock dealers; providing for the use of real property as security in lieu of a surety bond; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

1 SECTION 1. NRS 576.040 is hereby amended to read as follows:
2 576.040 1. Each applicant to whom a license to act as a dealer,
3 broker or commission merchant is issued shall: [do one of the follow-
4 ing:]
5 (a) File [a] one of the following:
6 (1) A bond of a surety company authorized to do business in this
7 state. [or a]
8 (2) A bond with individual sureties owning unencumbered real prop-
9 erty within this state subject to execution and worth, above all exemp-
10 tions, double the amount of the bond.
11 (3) A personal bond secured by a deed of trust on otherwise unen-
12 cumbered real property subject to execution and worth, above all exemp-
13 tions, double the amount of the bond.
14 The bond shall be in the form prescribed by, and to the satisfaction of,
15 the department, conditioned for the payment of a judgment or judgments
16 against the applicant furnishing the bond and arising out of the failure of
17 the applicant or his agent to conduct his business in accordance with the
18 provisions of this chapter, or for nonpayment of obligations in connection
19 with the purchase and sale of livestock or farm products, and shall
20 provide that the surety company, if any, will notify the department before
21 the end of the second business day after any claim or judgment has been
22 made against the bond. The aggregate liability of [the] any surety to all

1 claimants [shall, in no event, exceed] *is limited to* the amount of the
2 bond for each [and every] licensing period [.] ;

3 (b) File a copy of the bond required by the United States pursuant to
4 the provisions of the Packers and Stockyards Act (7 U.S.C. § 204) [.] ;
5 *or*

6 (c) Furnish other security in the amount required by this section which
7 is acceptable to the department.

8 2. In lieu of complying with one of the alternatives provided in sub-
9 section 1, the dealer, broker or commission merchant may deliver to the
10 department the receipt of a bank or trust company in this state showing
11 the deposit with [such] *that* bank or trust company of cash or of securi-
12 ties endorsed in blank by the owner thereof and of a market value equal
13 at least to the required principal amount of the bond, such cash or
14 securities to be deposited in escrow under an agreement conditioned as
15 in the case of a bond. Any receipt [shall] *must* be accompanied by evi-
16 dence that there are no unsatisfied judgments against the dealer, broker
17 or commission merchant of record in the county or counties in which the
18 dealer, broker or commission merchant is doing business or wherein he
19 resides. An action for recovery against any such deposit may be brought
20 in the same manner as in the case of an action for recovery on a bond
21 filed under the provisions of this section.

22 3. The amount of [such] *the* bond, other security or deposit [shall]
23 *must* be:

24 (a) Based on the applicant's annual volume of purchases, according
25 to a schedule which the department shall adopt.

26 (b) Not be less than \$5,000 nor more than \$100,000.

27 4. All bonds [shall] *must* be renewed or continued in accordance
28 with [rules and regulations promulgated] *regulations adopted* by the
29 department.

30 5. Any producer of livestock or farm products or his agent or con-
31 signee injured by any violation of the provisions of this chapter, or by
32 any misrepresentations or fraud on the part of any licensed dealer, broker
33 or commission merchant, may maintain a civil action against [such] *the*
34 dealer, broker or commission merchant and the surety or sureties on
35 [the] *any* bonds, or either of them. Process authorized by the instrument
36 filed with the department pursuant to subsection 4 of NRS 576.030
37 [shall] *must* be served by delivering to and leaving with the executive
38 director duplicate copies of [such] *that* process and the payment of a fee
39 of \$2, and the service upon [such] *his* attorney shall be deemed service
40 upon [such] *the* dealer, broker or commission merchant. The executive
41 director shall [forthwith] forward one copy of [such] *the* process by
42 registered mail prepaid to the defendant dealer, broker or commission
43 merchant, giving the day and hour of [such] service. The defendant's
44 return receipt [shall be] *is* prima facie evidence of the completion of
45 [such] service. If service of summons is made upon the executive direc-
46 tor in accordance with the provisions of this subsection, the time within
47 which the defendant is required to appear [shall be deemed to be] *is*
48 extended 10 days. The foregoing provisions of this subsection with refer-
49 ence to the service of process [shall not be deemed] *are not* exclusive,
50 but if [such] *a* defendant dealer, broker or commission merchant is

1 found within the State of Nevada he [shall] *must* be served with process
2 in the State of Nevada.

3 6. Any producer of livestock or farm products or his agent or con-
4 signee having a claim against any dealer, broker or commission merchant
5 shall commence legal action on the bond, or the money or securities
6 deposited in lieu of a bond, for recovery of the amount claimed to be
7 due within 1 year from the date the claim [shall have] *has* accrued.

8 7. If any licensed dealer, broker or commission merchant for any
9 reason ceases to operate as such, the amount of money or securities
10 deposited in lieu of a bond [shall] *must* be retained by the department
11 for 1 year. If after the expiration of 1 year from the cessation of such
12 operation, no legal action has been commenced to recover against [such]
13 *the* money or securities, [the amount thereof shall] *they must* be deliv-
14 ered to the owner thereof. If a legal action has been commenced within
15 [such] *that* time, all [such] *the* money and securities [shall] *must* be
16 held by the department subject to the order of the district court.

17 8. If the department receives notice from a producer of livestock or
18 farm products or his agent or consignee of the default of a licensed
19 dealer, broker or commission merchant, the department shall issue an
20 order to the licensee to show cause why his license should not be
21 revoked. The notice [shall] *must* be in writing and set forth a time and
22 place for a hearing on the matter to be held before the director of the
23 department.

24 9. If a license is revoked pursuant to subsection 8 the department
25 shall, by publication in a newspaper of general circulation in the area,
26 notify all known producers of livestock or farm products in the area in
27 which the licensee operated that the licensee's license has been revoked.

(REPRINTED WITH ADOPTED AMENDMENTS)
FIRST REPRINT

S. B. 164

SENATE BILL NO. 164—SENATORS JACOBSEN
AND GETTO

FEBRUARY 2, 1981

Referred to Committee on Natural Resources

SUMMARY—Relates to the development of geothermal resources; provides for administration and utilization. (BDR 48-156)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to the development of geothermal resources; providing for their administration and utilization; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

- 1 SECTION 1. NRS 533.030 is hereby amended to read as follows:
2 533.030 1. Subject to existing rights, all such water may be appro-
3 priated for beneficial use as provided in this chapter and not otherwise.
4 2. The use of water, from any stream system as provided in this
5 chapter and from underground water as provided in NRS 534.080, for
6 any recreational purpose, is hereby declared to be a beneficial use.
7 3. *The use of groundwater for its energy, including heat and pressure,*
8 *is a beneficial use of the groundwater, whether it is accomplished through*
9 *an actual diversion, for which a water right must be obtained, or a process*
10 *which is not diversionary but extracts heat, for which a water right may*
11 *be obtained to protect utilization of the energy produced by groundwater.*
12 SEC. 2. NRS 534.010 is hereby amended to read as follows:
13 534.010 1. As used in this chapter:
14 (a) "Aquifer" means a geological formation or structure that transmits
15 water.
16 (b) "Artesian well" means a well tapping an aquifer underlying an
17 impervious material in which the static water level in the well stands
18 above where it is first encountered in the aquifer.
19 (c) "Domestic use" extends to culinary and household purposes, in a
20 single-family dwelling, the watering of a family garden, lawn, and the
21 watering of domestic animals. *The term also includes the use of geo-*
22 *thermal resources for domestic heating purposes.*

1 (d) "Percolating waters" are underground waters, the course and
2 boundaries of which are incapable of determination.

3 (e) "Person" [shall be interpreted to mean] *means* any individual,
4 firm, partnership, association, company or corporation, municipal cor-
5 poration, power district, political subdivision of this or any state, or a
6 United States Government agency.

7 (f) "Waste" is defined as causing, suffering or permitting any artesian
8 well to discharge water unnecessarily above or below the surface of the
9 ground so that the waters thereof are lost for beneficial use or in any canal
10 or ditch conveying water from a well where the loss of water in transit is
11 more than 20 percent of the amount of the water discharged from the
12 well.

13 (g) "Well driller" means any person who [shall drill] *drills* a well or
14 wells, for compensation or otherwise.

15 (h) "Well drilling" or "drilling a well" are synonymous, and [consti-
16 tute] *mean* drilling or boring new wells, placing casing in wells, cleaning
17 and repairing existing wells, cementing wells and doing all other things
18 normally associated with the construction or rehabilitation of wells.

19 2. As used in this chapter, the terms "underground water" and
20 "ground water" are synonymous.

21 SEC. 3. NRS 534A.010 is hereby amended to read as follows:

22 534A.010 As used in this chapter, unless the context otherwise
23 requires, "geothermal resource" means [heat or other associated geo-
24 thermal energy found beneath the surface of the earth.] *the natural heat*
25 *of the earth and the energy associated with that natural heat, pressure and*
26 *all dissolved or entrained minerals that may be obtained from the medium*
27 *used to transfer that heat, but excluding hydrocarbons and helium.*

28 SEC. 4. NRS 322.005 is hereby amended to read as follows:

29 322.005 As used in this chapter, "geothermal resource" means [heat
30 or other associated geothermal energy found beneath the surface of the
31 earth.] *the natural heat of the earth and the energy associated with that*
32 *natural heat, pressure and all dissolved or entrained minerals that may be*
33 *obtained from the medium used to transfer that heat, but excluding*
34 *hydrocarbons and helium.*

35 SEC. 5. NRS 361.027 is hereby amended to read as follows:

36 361.027 "Geothermal resource" means [:

37 1. All products of geothermal processes, embracing indigenous steam,
38 hot water and hot brines;

39 2. Steam and other gases, hot water and hot brines resulting from
40 water, gas or other fluids artificially introduced into subsurface forma-
41 tions;

42 3. Heat or other associated energy found beneath the surface of the
43 earth; and

44 4. Byproducts of any of the items enumerated in subsections 1 to 3,
45 inclusive, such as minerals (exclusive of oil or hydrocarbon gas that can
46 be separately produced) which are found in solution or association with
47 or derived from any of such items.] *the natural heat of the earth and the*
48 *energy associated with that natural heat, pressure and all dissolved or*
49 *entrained minerals that may be obtained from the medium used to trans-*
50 *fer that heat, but excluding hydrocarbons and helium.*

1 **SEC. 6.** NRS 445.178 is hereby amended to read as follows:

2 445.178 "Pollutant":

3 1. Means dredged soil, solid waste, incinerator residue, sewage,
4 garbage, sewage sludge, munitions, chemical wastes, biological materials,
5 radioactive materials, heat, wrecked or discarded equipment, rock, sand,
6 cellar dirt and industrial, municipal and agricultural waste discharged
7 into water;

8 2. Does not mean water, gas or other material which is injected into
9 a well to facilitate production of oil or gas, or water derived in association
10 with oil or gas production and disposed of in a well, if the well is used
11 either for facilitating production or for disposal purposes and if the
12 department determines that such injection or disposal will not result in
13 the degradation of ground or surface water resources.

14 3. *Does not mean water, gas or other material injected into a well or*
15 *used to stimulate a reservoir of geothermal resources if the department*
16 *determines that the injection or stimulation will not result in the degra-*
17 *gradation of ground or surface water resources.*

18 **SEC. 7.** Chapter 704 of NRS is hereby amended by adding thereto
19 a new section which shall read as follows:

20 1. *Except as provided in subsection 2, every corporation or other*
21 *person who sells geothermal energy to the public is affected with a public*
22 *interest, is a public utility and is subject to the jurisdiction and control*
23 *of the commission. The authority of the commission to regulate such per-*
24 *sons is limited to the authority granted by this section and NRS 704.033*
25 *and 704.035.*

26 2. *This section does not apply to any corporation or other person*
27 *described in subsection 6 of NRS 704.030 or to any political subdivision*
28 *of the state authorized to sell energy to the public.*

29 3. *The commission shall adopt just and reasonable regulations gov-*
30 *erning the sale of energy from geothermal resources to the public. The*
31 *regulations must provide for a system of operating permits which:*

32 (a) *May not be denied because the area which the applicant proposes*
33 *to serve is already being served by a gas or electric utility.*

34 (b) *May not convey an exclusive right to supply geothermal energy in*
35 *the area which the applicant proposes to serve.*

36 (c) *Specify in each case the geographic area in which the applicant rea-*
37 *sonably can provide the services authorized in the permit.*

38 (d) *Require the applicant to enter into a contract with each customer*
39 *served by the utility. The form and scope of the contract must be subject*
40 *to review and approval of the commission. The contract must specify at*
41 *least:*

42 (1) *The period of time during which service will be provided. The*
43 *contract must provide for a period of at least 3 years unless such a provi-*
44 *sion is expressly waived by the customer.*

45 (2) *The rates or the formula for determining rates to be charged dur-*
46 *ing the term of the contract.*

47 (3) *That the utility will submit to binding arbitration, pursuant to*
48 *chapter 38 of NRS, matters relating to damages suffered by the customer*
49 *as a result of a disruption in service and that in any such arbitration, the*
50 *utility is liable for damages unless it establishes that the disruption was*

1 *caused by circumstances beyond its control, or another affirmative*
2 *defense, or establishes that it was not negligent.*

3 4. *Before issuing an operating permit the commission must find that:*

4 (a) *The applicant is fit, willing and able to provide the services author-*
5 *ized in the permit.*

6 (b) *The applicant has tested the geothermal reservoir to determine*
7 *whether it appears to be capable of providing sufficient energy to supply*
8 *the intended uses.*

9 (c) *The system which the applicant intends to use to produce and dis-*
10 *tribute the heat meets appropriate standards.*

11 5. *The commission has continuing authority to regulate the utilities*
12 *described in this section to ensure that each utility adheres to the condi-*
13 *tions set forth in its operating permit and that the utility provides ade-*
14 *quate services.*

15 SEC. 8. NRS 704.030 is hereby amended to read as follows:

16 704.030 "Public utility," as used in this chapter, does not include:

17 1. Corporations, partnerships, sole proprietorships, associations of
18 natural persons, their lessees, trustees or receivers (appointed by any
19 court whatsoever) insofar as they own, control, operate or manage motor
20 vehicles operated as hearses, ambulances or hotel buses engaged in the
21 transportation of persons for hire exclusively within the limits of a city
22 of this state.

23 2. Corporations, partnerships, sole proprietorships or associations of
24 natural persons engaged in the production and sale of natural gas, other
25 than sales to the public, or engaged in the transmission of natural gas
26 other than as a common carrier transmission or distribution line or sys-
27 tem.

28 3. Corporations, cooperatives, nonprofit corporations or associations,
29 partnerships, sole proprietorships, associations of natural persons, their
30 lessees, trustees or receivers appointed by any court whatsoever, engaged
31 in the business of furnishing, for compensation, water or sewer services,
32 or water and sewer services, to persons within this state if:

33 (a) They serve 25 persons or less; or

34 (b) Their gross sales for water or sewer services, or water and sewer
35 services, amounted to \$5,000 or less during the immediately preceding
36 12 months,

37 and in either case they do not own or control any other such business
38 entity furnishing water or sewer service or water and sewer service within
39 this state.

40 4. Any common motor carrier, contract motor carrier of passengers
41 or property, or private motor carrier subject to the provisions of chapter
42 706 of NRS.

43 5. Corporations or other persons not normally engaged in water pro-
44 duction and sales and which sell or furnish water as an accommodation in
45 an area where water is not available from a public utility, cooperative
46 corporations and associations or political subdivisions engaged in the
47 business of furnishing water, for compensation, to persons within the
48 political subdivision.

49 The commission may by subpoena require any person claiming to be

1 exempt from regulation by reason of this section, to appear before it
2 with all of his relevant books, papers and records, and to testify concern-
3 ing the scope, nature and conduct of his business.

4 6. *Corporations or other persons who are engaged in the production*
5 *and sale of geothermal energy to public utilities, cities, counties or other*
6 *entities which are reselling the energy to the public.*

7 SEC. 9. NRS 704.870 is hereby amended to read as follows:

8 704.870 1. An applicant for a permit shall file with the commission
9 an application, in such form as the commission may prescribe, containing
10 the following information:

11 (a) A description of the location and of the utility facility to be built
12 thereon;

13 (b) A summary of any studies which have been made of the environ-
14 mental impact of the facility;

15 (c) A statement explaining the need for the facility;

16 (d) A description of any reasonable alternate location or locations for
17 the proposed facility, a description of the comparative merits or detri-
18 ments of each location submitted, and a statement of the reasons why the
19 primary proposed location is best suited for the facility; **[and]**

20 (e) *A summary of the examination of conservation measures and*
21 *alternative sources of energy which was made before the construction of*
22 *a facility using fossil fuel; and*

23 (f) Such other information as the applicant may consider relevant or as
24 the commission may by regulation or order require. A copy or copies of
25 the studies referred to in paragraph (b) **[shall]** *must* be filed with the
26 commission and be available for public inspection.

27 2. A copy of the application **[shall]** *must* be filed with the chairman
28 of the state environmental commission created pursuant to NRS 445.451.

29 3. Each application **[shall]** *must* be accompanied by proof of service
30 of a copy of such application on the clerk of each local government in the
31 area in which any portion of such facility is to be located, both as pri-
32 marily and as alternatively proposed.

33 4. Each application **[shall]** *must* also be accompanied by proof that
34 public notice thereof was given to persons residing in the municipalities
35 entitled to receive notice under subsection 3 by the publication of a sum-
36 mary of the application in newspapers published and distributed in the
37 area in which such utility facility is proposed to be located.

S. B. 215

**SENATE BILL NO. 215—SENATORS WILSON,
GLASER AND WAGNER**

FEBRUARY 11, 1981

Referred to Committee on Natural Resources

SUMMARY—Authorizes attorney general to bring action if Federal Government's use of public lands impairs state sovereignty. (BDR 26-364)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: Yes.

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to federal lands; authorizing the attorney general to bring an action in any court if the Federal Government's use of public lands or water or roads on those lands impairs the sovereignty of the State of Nevada; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly,
do enact as follows:*

- 1 SECTION 1. Chapter 328 of NRS is hereby amended by adding
2 thereto a new section which shall read as follows:
3 1. *The legislature finds that more than 87 percent of the land in*
4 *the State of Nevada is held by the Federal Government, of which 69*
5 *percent is public land, and the actions of federal agencies and instru-*
6 *mentalities involving the public lands and water appurtenant to and*
7 *public roads over those lands significantly affect the health, safety, wel-*
8 *fare and happiness of the citizens of this state and may interfere with*
9 *the traditional sovereign functions of the State of Nevada with respect*
10 *to those lands, waters and roads and their uses.*
11 2. *The attorney general, at the request of the governor or a state*
12 *agency or on his own initiative, may bring and maintain any action in*
13 *any court or before any federal agency if any action or proposed action*
14 *by a federal agency or instrumentality with respect to the public lands*
15 *or waters appurtenant to or public roads over those lands impairs or*
16 *tends to impair the sovereignty of the State of Nevada.*
17 3. *As used in this section, "public lands" means all lands within*
18 *the exterior boundaries of the State of Nevada except lands:*
19 *(a) To which title is held by any private person or entity;*
20 *(b) To which title is held by the State of Nevada, any of its local*
21 *governments or the University of Nevada System;*
22 *(c) Which are located within congressionally authorized national*

- 1 parks, monuments, national forests or wildlife refuges, or which are
- 2 lands acquired by purchase consented to by the legislature;
- 3 (d) Which are controlled by the United States Department of Defense,
- 4 Department of Energy or Bureau of Reclamation; or
- 5 (e) Which are held in trust for Indian purposes or are Indian reserva-
- 6 tions.

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

S. J. R. 17

 SENATE JOINT RESOLUTION NO. 17—COMMITTEE
ON NATURAL RESOURCES

FEBRUARY 3, 1981

Referred to Committee on Natural Resources

SUMMARY—Proposes constitutional amendment to regulate management and disposal of state lands. (BDR C-84)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

SENATE JOINT RESOLUTION—Proposing to amend the Nevada constitution to provide for management of state lands for recreational and other purposes, and to restrict the disposal and use of proceeds of the lands.

1 *Resolved by the Senate and Assembly of the State of Nevada, jointly,*
2 That a new article designated Article 20 be added to the constitution of
3 the State of Nevada and section 3 of article 11 of the constitution be
4 amended to read respectively as follows:

5
6 *Article 20.*

7
8 *Section 1. The lands which are owned or held in trust by this state*
9 *must be managed for the purposes of recreation, grazing, forestry, min-*
10 *ing and the conservation of water and wildlife and to effect the greatest*
11 *number and best uses of the lands which are economical and protect the*
12 *productivity of the lands.*

13 *Sec. 2. The proceeds from sales of lands granted to this state by*
14 *Congress, after deducting the costs of the sales, must be used first in the*
15 *manner imposed as a condition of granting the lands, and any surplus*
16 *must be distributed as provided by Article 11 of this Constitution. All*
17 *other revenue which is derived from those lands, including revenue from*
18 *oil and gas, mineral, geothermal and grazing leases and sales of timber*
19 *and gravel, after deducting the costs of managing those lands, must be*
20 *used first in the manner imposed as a condition of granting the lands,*
21 *and any surplus, if the lands were obtained before July 1, 1981, must be*
22 *distributed as provided by Article 11 of this Constitution, and if*
23 *obtained on or after July 1, 1981, after deducting payments to local*
24 *governments in lieu of taxes on those lands and other deductions per-*
25 *mitted by law, may be used by the state without restriction.*

1 *Sec. 3. The legislature shall provide by law for the issuance of patents*
2 *and the reservation of easements and other property interests which*
3 *assure public access to federal and state lands upon the disposal of lands*
4 *granted to this state by Congress. These lands must not be sold or other-*
5 *wise disposed of except:*

6 1. *For the expansion of cities and towns or, if necessary, for com-*
7 *mmercial purposes, if approved by the legislature by law.*

8 2. *For agricultural purposes if found suitable and certified to have*
9 *water available for that purpose by an officer or officers charged by law*
10 *with those duties, if approved by the legislature by law.*

11 3. *For sale or lease to an agency or political subdivision of this state*
12 *or nonprofit corporation or association for the same public and recrea-*
13 *tional purposes as federal lands may be so sold or leased, if recom-*
14 *mended by the state agency charged with the management of the lands*
15 *and if approved by the governor.*

16 4. *For use by an agency or instrumentality of the Federal Govern-*
17 *ment, upon the advice of the state agency charged by law with that duty,*
18 *if approved by the legislature by law.*

19 5. *For mining claims which are located or patented pursuant to fed-*
20 *eral or state law, and for leases for the extraction of minerals, oil or gas or*
21 *the use of geothermal energy pursuant to state law. Provision must be*
22 *made for the reservation or sale of rights to minerals known to exist in the*
23 *lands when disposed of by the state in any manner other than by location*
24 *or patent.*

25 6. *By leases for the grazing of livestock in the same manner and for*
26 *the same purposes as federal lands may be so leased, if approved by the*
27 *state agency charged by law with that duty.*

28 7. *By other leases and easements and rights of way for a period not*
29 *to exceed 99 years if the rental is at fair market value and is revalued at*
30 *intervals not to exceed 5 years, if recommended by the state agency*
31 *charged with the management of the lands and if approved by:*

32 (a) *A state agency charged with that duty, and by the governor; or*

33 (b) *The legislature by law.*

34 *The legislature may provide by law for approval of such leases by a com-*
35 *mittee of the legislature when the legislature is not in regular session, but*
36 *that approval must be ratified by the legislature at its next regular session.*

37 8. *By exchanges, for the purpose of consolidation and better man-*
38 *agement and use of the land, for parcels of equivalent size or value, if*
39 *recommended to the legislature by the state agency charged with the*
40 *management of the lands and approved by the legislature by law.*

41 9. *For sales of land in parcels not larger than a nominal section*
42 *which, because of their location or other characteristics, are difficult and*
43 *uneconomic to manage, if recommended to the legislature by the state*
44 *agency charged with the management of the lands and approved by the*
45 *legislature by a vote of two-thirds of the members elected to each*
46 *house.*

47 *The legislature may require by law that local governments within whose*
48 *jurisdictions the lands are located make recommendations concerning any*
49 *sales or other disposals of those lands.*

1 **[Section] Sec. 3. [All lands, including the sixteenth and thirty-**
2 **sixth sections in any township donated for the benefit of public schools**
3 **in the act of the Thirty-eighth Congress, to enable the people of Nevada**
4 **Territory to form a state government, the thirty thousand acres of public**
5 **lands granted by an act of Congress, approved July second, A.D.**
6 **eighteen hundred and sixty-two, for each senator and representative in**
7 **Congress, and all proceeds of lands that have been or may hereafter be**
8 **granted or appropriated by the United States to this state, and also the**
9 **five hundred thousand acres of land granted to the new states under the**
10 **act of Congress distributing the proceeds of the public lands among**
11 **the several states of the union, approved A.D. eighteen hundred and**
12 **forty-one; *provided*, that Congress make provision for or authorize such**
13 **diversion to be made for the purpose herein contained; all estates that**
14 **may escheat to the state; all of such per centum as may be granted by**
15 **Congress on the sale of lands; all fines collected under the penal laws of**
16 **the state; all property given or bequeathed to the state for educational**
17 **purposes; and all proceeds derived from any or all of said sources shall**
18 **be and the same are hereby solemnly pledged for educational purposes,**
19 **and shall not be transferred to any other funds for other uses; and the**
20 **interest thereon shall, from time to time, be apportioned among the**
21 **several counties as the legislature may provide by law; and the legislature**
22 **shall provide for the sale of floating land warrants to cover the aforesaid**
23 **lands, and for the investment of all proceeds derived from any of the**
24 **above-mentioned sources; *provided*, that the interest only of the afore-**
25 **said proceeds shall be used for educational purposes, and any surplus**
26 **interest shall be added to the principal sum; *and provided further*, that**
27 **such portion of said interest as may be necessary may be appropriated**
28 **for the support of the state university.] *The proceeds from the sales of***
29 ***all lands granted by Congress to this state without restriction or for edu-***
30 ***catational purposes, all estates that escheat to the state and all property***
31 ***given or bequeathed to the state for educational purposes, together with***
32 ***all fines collected under the penal laws of the state and that percentage***
33 ***of the proceeds from the sale of federal lands which has been granted by***
34 ***Congress to this state without restriction or for educational purposes, are***
35 ***hereby pledged for educational purposes and must not be transferred to***
36 ***other funds for other uses. The legislature shall provide by law for the***
37 ***investment of the money pledged for educational purposes. The interest***
38 ***only on that money and the revenue from lands which were obtained by***
39 ***the state before July 1, 1981, must be apportioned by the legislature***
40 ***among the several counties, and, if necessary, a portion of that interest***
41 ***and revenue may be appropriated for the support of the state university,***
42 ***but any of that interest or revenue which is unexpended at the end of any***
43 ***year must be added to the principal sum pledged for educational pur-***
44 ***poses.***

Exhibit F

**THIS EXHIBIT IS MISSING FROM BOTH THE ORIGINAL
MINUTES AND THE MICROFICHE.**

A. J. R. 15**ASSEMBLY JOINT RESOLUTION NO. 15—ASSEMBLYMEN
RHOADS, HAYES, MARVEL, GLOVER AND BERGEVIN**

FEBRUARY 10, 1981

**Referred to Committee on Economic Development
and Natural Resources****SUMMARY—**Memorializes Congress to provide for return to multiple use of public lands dropped from consideration as wilderness. (BDR 866)**FISCAL NOTE:** Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.**EXPLANATION—**Matter in *italics* is new; matter in brackets [] is material to be omitted.**ASSEMBLY JOINT RESOLUTION—**Memorializing the Congress of the United States to provide for the return to multiple use of those public lands the Bureau of Land Management finds unsuitable for designation as wilderness.

- 1 **WHEREAS,** The Secretary of the Interior has designated more than 5
2 million acres or more than 10 percent of the public lands in Nevada to
3 be reviewed for designation as wilderness, which constitutes 22 percent
4 of all the land in the western United States being reviewed for wilderness
5 by the Bureau of Land Management; and
6 **WHEREAS,** The lands being reviewed have been withdrawn from multiple
7 use and placed in the status of protective use pursuant to section
8 603 of the Federal Land Policy and Management Act (43 U.S.C. §
9 1781) until completion of the review and legislative action by Congress;
10 and
11 **WHEREAS,** The review of these lands in Nevada by the Bureau of Land
12 Management will continue until at least 1989, the recommendations of
13 the Secretary of the Interior need not be sent to the President until October
14 21, 1991, and the recommendations of the President need not be
15 sent to Congress until October 21, 1993; and
16 **WHEREAS,** These lands must continue in the status of protective use
17 until Congress acts on the President's recommendations; and
18 **WHEREAS,** The withdrawal of these lands from multiple use inhibits
19 new uses of the lands during the entire period of review, including a
20 period for consideration by Congress which is without limitation; and
21 **WHEREAS,** Some of these lands may not possess the qualities character-
22 istic of wilderness or may contain important resources which preclude the
23 preservation of the land as wilderness, and these lands will not be recom-
24 mended by the Bureau of Land Management for designation as wilder-
25 ness; and

1 WHEREAS, During prior phases of this review, the Bureau's procedures
2 allowed it immediately to restore to multiple use those lands it found to
3 be unsuitable for designation as wilderness; and

4 WHEREAS, The lands which the Bureau decides not to recommend for
5 designation as wilderness should be immediately returned to multiple use
6 and not be tied up in protective status for more than a decade; now,
7 therefore, be it

8 *Resolved by the Assembly and Senate of the State of Nevada, jointly,*
9 That this legislature memorializes the President of the United States and
10 Congress to amend section 603 of the Federal Land Policy and Manage-
11 ment Act (43 U.S.C. § 1781) to provide for immediate return to multi-
12 ple use of any public lands now being reviewed for designation as
13 wilderness which the Bureau of Land Management finally determines to
14 be unsuitable for such designation; and be it further

15 *Resolved,* That copies of this resolution be prepared and transmitted
16 by the legislative counsel to the President of the United States, the Vice
17 President as President of the Senate, the Speaker of the House of Repre-
18 sentatives and each member of the Nevada congressional delegation; and
19 be it further

20 *Resolved,* That this resolution shall become effective upon passage and
21 approval.