
ASSEMBLY JOINT RESOLUTION NO. 6—ASSEMBLYMEN HARDY,
GIBBONS, COLLINS, MARVEL, MABEY, ANDONOV, BEERS,
BROWN, CHRISTENSEN, GEDDES, GOICOECHEA, GRADY,
GRIFFIN, GUSTAVSON, HETTRICK, KNECHT, KOIVISTO,
MANENDO, MCCLEARY, PIERCE, SHERER AND WEBER

MARCH 13, 2003

JOINT SPONSORS: SENATORS MCGINNESS, SCHNEIDER,
WASHINGTON AND WIENER

Referred to Committee on Elections, Procedures, and Ethics

SUMMARY—Urges Congress to increase payments in lieu of taxes
and make certain other reparations for detrimental
effects of federally held lands in Nevada.
(BDR R-810)

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

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

ASSEMBLY JOINT RESOLUTION—Urging Congress to increase
payments in lieu of taxes and make certain other
reparations for the detrimental effects of federally held
lands in Nevada.

1 WHEREAS, An average of 52 percent of the land in 13 western
2 states is held by the Federal Government, while the Federal
3 Government holds an average of only 4.1 percent of the land in the
4 remaining 37 states; and
5 WHEREAS, In Nevada, approximately 87 percent of the land,
6 which amounts to approximately 61 million acres, is held by the
7 Federal Government; and
8 WHEREAS, In 15 of the 17 counties in Nevada, more than 50
9 percent of the land is held by the Federal Government, and in 4 of
10 the 17 counties, more than 90 percent of the land is held by the
11 Federal Government; and



1 WHEREAS, The management and control of such an extensive
2 amount of the land in Nevada by the Federal Government has had
3 substantial adverse effects on Nevadans; and

4 WHEREAS, When the Territory of Nevada was admitted to
5 statehood on October 31, 1864, the Federal Government provided
6 the newly admitted state with 2 sections of land in each township for
7 the benefit of common schools, which amounted to 3.9 million
8 acres, while other states that were subsequently admitted to
9 statehood received 4 sections of land in each township for the
10 benefit of common schools; and

11 WHEREAS, In 1880, it was necessary for Nevada to agree to
12 exchange its 3.9 million acres for only 2 million acres of its own
13 selection as Nevada had an immediate need for public school
14 revenues and the land originally granted by the Federal Government
15 to Nevada for common schools was not providing sufficient revenue
16 because it included many undesirable sections that were on steep
17 mountainsides or salt flats, the sections of the land could not be
18 received from the Federal Government until they were surveyed and
19 only a small fraction of the land had been surveyed and sold; and

20 WHEREAS, The disproportionately small amount of land
21 received from the Federal Government for the benefit of common
22 schools contributes only a small amount of revenue for the schools
23 in Nevada in comparison to other states, and places an excessive
24 burden on the financial resources of each county in Nevada; and

25 WHEREAS, Because the land held by the Federal Government is
26 exempt from property taxes, the management and control of such an
27 extensive amount of land in Nevada by the Federal Government has
28 the effect of worsening the tremendous fiscal burdens experienced
29 by counties in Nevada for those counties with a considerable
30 amount of federally held land located within their boundaries; and

31 WHEREAS, The annual impact of this property tax exemption in
32 the western states has been estimated at billions of dollars, which
33 greatly hinders the ability of those western states, including Nevada,
34 to develop and prosper economically; and

35 WHEREAS, In 1976, Congress enacted Public Law 94-565,
36 which is codified as 31 U.S.C. §§ 6901 to 6907, inclusive, and as
37 amended, is commonly known as the Payments In Lieu of Taxes
38 Act; and

39 WHEREAS, The Act requires the Federal Government to make
40 annual payments to local governments to compensate the local
41 governments for the loss of revenue they experience because of the
42 presence of land within their boundaries that is held by the Federal
43 Government; and

44 WHEREAS, Congress appropriates money each year that the
45 Bureau of Land Management distributes to each of the 17 counties



1 in the State of Nevada pursuant to several statutory formulas set
2 forth in the Act; and

3 WHEREAS, The annual payments received by the counties in
4 Nevada pursuant to the Act are significantly less than the annual
5 revenue that those counties could collect from property taxes if the
6 land held by the Federal Government were privately held; and

7 WHEREAS, From the inception of the payments in 1977 to the
8 end of the 2001-2002 Fiscal Year, the money appropriated by
9 Congress has been insufficient to provide full payment to the
10 counties in Nevada pursuant to the statutory formulas; and

11 WHEREAS, Even though Nevada is the state with the second
12 highest percentage of land held by the Federal Government, Nevada
13 only ranks as the eighth highest state in terms of the amount of the
14 payments it receives from the Bureau of Land Management pursuant
15 to the Act because the statutory formula set forth in 31 U.S.C. §
16 6903 is based in part on the population of the local government that
17 will be receiving the payments, and 14 of the 17 counties in Nevada
18 have populations that are less than 50,000; and

19 WHEREAS, Another example of the adverse effects of the
20 management and control of the extensive amount of land in Nevada
21 held by the Federal Government is the management and control of
22 the Nevada Test Site, which was established in December 1950, by
23 President Truman, upon the recommendation of the Atomic Energy
24 Commission, as the location at which nuclear weapons testing
25 would be conducted within the continental United States; and

26 WHEREAS, Approximately 5,470 square miles of federally held
27 land in Nevada was used to provide:

28 1. The Nevada Test Site, which is owned and controlled by the
29 United States Department of Energy and encompasses
30 approximately 1,350 square miles of desert and mountainous terrain,
31 an area which is larger than the State of Rhode Island; and

32 2. An additional 4,120 square miles of unpopulated land area
33 surrounding the site which was withdrawn from the public domain
34 for use as a protected wildlife range and for a military gunnery
35 range; and

36 WHEREAS, More than 1,100 nuclear weapons tests were
37 conducted at the Nevada Test Site, located 65 miles northwest of
38 Las Vegas, Nevada, before the Limited Test Ban Treaty, which
39 effectively banned atmospheric testing of nuclear weapons, was
40 signed on August 5, 1963; and

41 WHEREAS, While the primary mission of the Nevada Test Site
42 has been the testing of nuclear weapons, after the signing of the
43 Limited Test Ban Treaty in 1963 and the initiation of a voluntary
44 worldwide moratorium on nuclear weapons testing in 1992, the
45 Nevada Test Site has been used for other purposes, including,



1 without limitation, hazardous chemical spill testing, emergency
2 response training, conventional weapons testing, conducting studies
3 relating to waste management and environmental technology, and
4 storing low-level waste; and

5 WHEREAS, In 1978, the United States Department of Energy
6 established two Radioactive Waste Management Sites at the Nevada
7 Test Site which have received approximately 21 million cubic feet
8 of low-level waste for disposal from 1978 until the present, making
9 the Nevada Test Site one of the largest regional low-level waste
10 storage facilities in the country; and

11 WHEREAS, Because the Nevada Test Site is centrally located
12 within the Death Valley regional ground-water flow system, which
13 includes much of southern Nevada and the Death Valley region of
14 eastern California, the residents of Nevada and California are
15 subject to risks from subsurface contaminants that may be
16 transported from the Nevada Test Site by ground water as a result of
17 past and future activities conducted at the Nevada Test Site; and

18 WHEREAS, The residents and resources of Nevada may be
19 exposed to additional risks because most of the ground water
20 leaving the ground-water flow system is limited to local areas where
21 geologic and hydrologic conditions force ground water upward
22 toward the surface to discharge at springs and seeps; now, therefore,
23 be it

24 RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF
25 NEVADA, JOINTLY, That the members of the 72nd Session of the
26 Nevada Legislature hereby urge Congress to:

27 1. Authorize the transfer of land in Nevada from the Federal
28 Government to the State of Nevada in the amount necessary to
29 provide Nevada with the same amount of land received by the states
30 that received 4 sections of land for the benefit of common schools
31 upon admission to statehood;

32 2. Either:

33 (a) Amend 31 U.S.C. § 6906 to provide permanent funding in
34 the amount necessary to carry out the Payments In Lieu of Taxes
35 Act as set forth in 31 U.S.C. §§ 6901 to 6907, inclusive; or

36 (b) Appropriate for distribution to the counties in the State of
37 Nevada a sufficient amount of money each fiscal year to provide the
38 entire amount of the payments required by the statutory formulas set
39 forth in the Payments In Lieu of Taxes Act;

40 3. Amend 31 U.S.C. § 6903 by deleting the current population-
41 based statutory formula and replacing it with a provision that
42 authorizes the Secretary of the Interior to compensate the counties in
43 Nevada and the local governments of other states in an amount that
44 is equal to the amount that those counties and other local



1 governments would be able to collect in property taxes if the land
2 held by the Federal Government were privately held; and

3 4. Either:

4 (a) Authorize the transfer of an additional 5,470 square miles of
5 land in Nevada and any water rights appurtenant thereto from the
6 Federal Government to the State of Nevada, including land under
7 the railroads that will be used to transport high-level radioactive
8 waste to any repository for such waste located in Nevada, to fairly
9 compensate Nevada for the approximately 5,470 square miles of
10 land that were withdrawn from the public domain for the purpose of
11 establishing the Nevada Test Site; or

12 (b) Appropriate for distribution to the State of Nevada the
13 amount of money necessary to fairly compensate Nevada for the
14 approximately 5,470 square miles of land that were withdrawn from
15 the public domain for the purpose of establishing the Nevada Test
16 Site and any detrimental effects to that land and to the Death Valley
17 regional ground-water flow system that resulted from the activities
18 conducted at the Nevada Test Site; and be it further

19 RESOLVED, That the Chief Clerk of the Assembly prepare and
20 transmit a copy of this resolution to the Vice President of the United
21 States as presiding officer of the United States Senate, the Speaker
22 of the House of Representatives, the Secretary of the Interior, the
23 Secretary of Energy, the Director of the Bureau of Land
24 Management and each member of the Nevada Congressional
25 Delegation; and be it further

26 RESOLVED, That this resolution becomes effective upon
27 passage.

