

SENATE BILL NO. 47—COMMITTEE ON NATURAL RESOURCES

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

PREFILED NOVEMBER 19, 2018

Referred to Committee on Natural Resources

SUMMARY—Revises provisions relating to state lands.
(BDR 26-216)

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

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

AN ACT relating to state lands; clarifying when an authorization from the State Land Registrar is required to perform work below the high water mark of a navigable river; requiring the State Land Registrar to establish by regulation fees for such authorization and for permits related to dredging, filling and installing certain structures; revising provisions relating to the accounting and use of the proceeds of certain fees for the use of state lands; eliminating the requirement that the State Land Registrar grant credit towards fees paid for the commercial use of state land; making various other changes relating to state lands; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Existing law provides that the Administrator of the Division of State Lands of
2 the State Department of Conservation and Natural Resources also serves as the ex
3 officio State Land Registrar. (NRS 232.110) Existing law relating to the use of state
4 lands uses the terms "Administrator of the Division of State Lands of the State
5 Department of Conservation and Natural Resources, as ex officio State Land
6 Registrar" and "State Land Registrar" interchangeably. **Sections 1-8** of this bill
7 make technical changes so the term "State Land Registrar" is used in such
8 provisions.
9 Existing law requires, with limited exceptions, a person to secure a permit from
10 the State Land Registrar before performing any work below the high water mark of
11 a navigable river. (NRS 322.1007) **Section 9** of this bill clarifies when



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12 authorization from the State Land Registrar is required to proceed with such work
13 and authorizes the State Land Registrar to adopt regulations related to performing
14 such work.

15 Under existing law, the State Land Registrar is required to charge fees in
16 certain amounts for: (1) dredging or filling; or (2) constructing or installing certain
17 structures in a navigable body of water. (NRS 322.130) **Section 10** of this bill
18 requires the State Land Registrar to establish the amount of these fees by
19 regulation. **Section 12** of this bill provides that the existing fees remain in effect
20 until the State Land Registrar establishes such fees by regulation.

21 Under existing law, the proceeds of certain fees for authorization to use certain
22 state lands must be paid to the State General Fund. (NRS 322.160) **Section 11** of
23 this bill provides that the proceeds of rents and royalties for authorization to use
24 certain state lands must also be paid to the State General Fund.

25 Under existing law, the proceeds of certain fees relating to navigable bodies of
26 water that are in excess of \$65,000 must be accounted for separately and used by
27 the State Land Registrar to carry out programs to preserve, protect, restore and
28 enhance the natural environment of the Lake Tahoe Basin. (NRS 322.160) **Section**
29 **11** provides that such proceeds must be accounted for in an interest-bearing account
30 and that the money in that account does not revert to the State General Fund at the
31 end of the fiscal year.

32 Under existing law, the State Land Registrar charges a fee for a permit for the
33 use of a pier or other related facility on a navigable body of water. (NRS 322.120)
34 Existing law also requires the State Land Registrar to grant a credit towards the fee
35 under certain circumstances. (NRS 322.125) **Section 13** of this bill eliminates the
36 requirement for the State Land Registrar to grant such a credit.

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

1 **Section 1.** NRS 322.010 is hereby amended to read as follows:
2 322.010 Except as *otherwise* provided in NRS 334.070 and
3 504.147, the ~~Administrator of the Division of State Lands of the~~
4 ~~State Department of Conservation and Natural Resources, as ex~~
5 ~~officio~~ State Land Registrar ~~+~~ may lease any land except contract
6 land now or hereafter owned by the State of Nevada, or which may
7 hereafter be granted to it by the United States of America, upon
8 terms as provided in NRS 322.020, 322.030 and 322.040.

9 **Sec. 2.** NRS 322.050 is hereby amended to read as follows:
10 322.050 Except as otherwise provided in NRS 334.070 and
11 504.147, the ~~Administrator of the Division of State Lands of the~~
12 ~~State Department of Conservation and Natural Resources, as ex~~
13 ~~officio~~ State Land Registrar ~~+~~ may, in addition to the authority to
14 lease provided in NRS 322.010, 322.020 and 322.030, lease or grant
15 easements over or upon any land now or hereafter owned by the
16 State of Nevada, or which may hereafter be granted it by the United
17 States of America, upon terms as provided in NRS 322.060. Leases
18 or grants of easements over or upon contract lands may be made
19 only with the consent of the contracting party, who must be paid all
20 money received from any such lease or grant. Leases or grants of



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1 easements over or upon any lands which are used by any office,
2 department, board, commission, bureau, institution or other agency
3 of the State of Nevada may be granted only with the concurrence of
4 the agency.

5 **Sec. 3.** NRS 322.060 is hereby amended to read as follows:

6 322.060 Subject to the provisions of NRS 321.335, leases or
7 easements authorized pursuant to the provisions of NRS 322.050,
8 and not made for the purpose of extracting oil, coal or gas or the
9 utilization of geothermal resources from the lands leased, must be:

10 1. For such areas as may be required to accomplish the purpose
11 for which the land is leased or the easement granted.

12 2. Except as otherwise provided in NRS 322.061, 322.063,
13 322.065 and 322.067, for such term and consideration as the
14 ~~{Administrator of the Division of State Lands of the State~~
15 ~~Department of Conservation and Natural Resources, as ex officio}~~
16 State Land Registrar ~~{}~~ may determine reasonable based upon the
17 fair market value of the land.

18 3. Executed upon a form to be prepared by the Attorney
19 General. The form must contain all of the covenants and agreements
20 usual or necessary to such leases or easements.

21 **Sec. 4.** NRS 322.061 is hereby amended to read as follows:

22 322.061 1. The ~~{Administrator of the Division of State Lands~~
23 ~~of the State Department of Conservation and Natural Resources, as~~
24 ~~ex officio}~~ State Land Registrar ~~{}~~ may lease state land pursuant to
25 NRS 322.060 for less than the fair market value of the state land for
26 the first year of the lease, including, without limitation, without the
27 payment of rent for the first year of the lease, to a person who
28 intends to locate or expand a business in this State if, except as
29 otherwise provided in subsection 5, the business meets the
30 requirements of subsection 4.

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

34 (a) The ~~{Administrator of the Division of State Lands, as ex~~
35 ~~officio}~~ State Land Registrar;

36 (b) The Administrator of the State Public Works Division of the
37 Department of Administration; and

38 (c) The Executive Director of the Office of Economic
39 Development.

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

42 4. Except as otherwise provided in subsection 5, the lease or
43 agreement may not include a discount to the business for the first
44 year unless:



1 (a) The business is consistent with:

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

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

7 (b) The business is registered pursuant to the laws of this State
8 or the person who intends to locate or expand the business in this
9 State commits to obtain a valid business license and all other
10 permits required by the county, city or town in which the business
11 operates.

12 (c) If the business is a new business in a county whose
13 population is 100,000 or more or a city whose population is 60,000
14 or more, the business meets at least two of the following
15 requirements:

16 (1) The business will have 75 or more full-time employees
17 on the payroll of the business by the fourth quarter that it is in
18 operation.

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

21 (3) The average hourly wage that will be paid by the new
22 business to its new employees in this State is at least 100 percent of
23 the average statewide hourly wage as established by the
24 Employment Security Division of the Department of Employment,
25 Training and Rehabilitation on July 1 of each fiscal year and:

26 (I) The business will provide a health insurance plan for
27 all employees that includes an option for health insurance coverage
28 for dependents of the employees; and

29 (II) The benefits the business provides to its employees in
30 this State will meet the minimum requirements for benefits
31 established by the Office.

32 (d) If the business is a new business in a county whose
33 population is less than 100,000 or a city whose population is less
34 than 60,000, the business meets at least two of the following
35 requirements:

36 (1) The business will have 15 or more full-time employees
37 on the payroll of the business by the fourth quarter that it is in
38 operation.

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

41 (3) The average hourly wage that will be paid by the new
42 business to its new employees in this State is at least 100 percent of
43 the average statewide hourly wage or the average countywide hourly
44 wage, whichever is less, as established by the Employment Security



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1 Division of the Department of Employment, Training and
2 Rehabilitation on July 1 of each fiscal year and:

3 (I) The business will provide a health insurance plan for
4 all employees that includes an option for health insurance coverage
5 for dependents of the employees; and

6 (II) The benefits the business provides to its employees in
7 this State will meet the minimum requirements for benefits
8 established by the Office.

9 (e) If the business is an existing business, the business meets at
10 least two of the following requirements:

11 (1) The business will increase the number of employees on
12 its payroll by 10 percent more than it employed in the immediately
13 preceding fiscal year or by six employees, whichever is greater.

14 (2) The business will expand by making a capital investment
15 in this State in an amount equal to at least 20 percent of the value of
16 the tangible property possessed by the business in the immediately
17 preceding fiscal year. The determination of the value of the tangible
18 property possessed by the business in the immediately preceding
19 fiscal year must be made by the:

20 (I) County assessor of the county in which the business
21 will expand, if the business is locally assessed; or

22 (II) The Department of Taxation, if the business is
23 centrally assessed.

24 (3) The average hourly wage that will be paid by the existing
25 business to its new employees in this State is at least the amount of
26 the average hourly wage required to be paid by businesses pursuant
27 to subparagraph (2) of either paragraph (a) or (b) of subsection 2 of
28 NRS 361.0687, whichever is applicable, and:

29 (I) The business will provide a health insurance plan for
30 all new employees that includes an option for health insurance
31 coverage for dependents of the employees; and

32 (II) The benefits the business provides to its new
33 employees in this State will meet the minimum requirements for
34 benefits established by the Office.

35 (f) In lieu of meeting the requirements of paragraph (c), (d) or
36 (e), if the business furthers the development and refinement of
37 intellectual property, a patent or a copyright into a commercial
38 product, the business meets at least two of the following
39 requirements:

40 (1) The business will have 10 or more full-time employees
41 on the payroll of the business by the fourth quarter that it is in
42 operation.

43 (2) Establishing the business will require the business to
44 make a capital investment of at least \$500,000 in this State.



(3) The average hourly wage that will be paid by the new business to its employees in this State is at least the amount of the average hourly wage required to be paid by businesses pursuant to subparagraph (2) of either paragraph (a) or (b) of subsection 2 of NRS 361.0687, whichever is applicable, and:

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

(II) The benefits the business provides to its employees in this State will meet with minimum requirements established by the Office.

5. The Executive Director of the Office of Economic Development may waive the requirements of subsection 4 for good cause shown if the lease is for state land of less than 25,000 square feet.

Sec. 5. NRS 322.063 is hereby amended to read as follows:

322.063 1. The ~~Administrator of the Division of State Lands of the State Department of Conservation and Natural Resources, as ex-officio~~ State Land Registrar ~~+~~ may, pursuant to NRS 322.060, lease residential property owned by the State of Nevada for less than the fair market value of the property to an officer or employee of this State who is required as a condition of his or her employment to reside in residential property owned by this State.

2. Before residential property may be leased pursuant to this section, the State Land Registrar, in cooperation with the head of the state agency that manages the property, must approve the lease and determine the amount of rent for the lease of the property.

3. The State Land Registrar may waive any fee for the consideration of an application to lease property pursuant to this section.

Sec. 6. NRS 322.065 is hereby amended to read as follows:

322.065 1. Except as otherwise provided in this section, land may be leased pursuant to NRS 322.060 to:

(a) A nonprofit organization that is recognized as exempt under section 501(c)(3) of the Internal Revenue Code and is affiliated by contract or other written agreement with an agency of this State; or

(b) A public educational institution,
under such terms and for such consideration as the ~~Administrator of the Division of State Lands of the State Department of Conservation and Natural Resources, as ex-officio~~ State Land Registrar ~~+~~ determines reasonable based upon the costs and benefits to the State and the recommendation of the persons who approve the lease.



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2. To lease property pursuant to this section, at least two of the following persons must approve the lease and establish the recommended amount of rent to be received for the property:

(a) The ~~Administrator of the Division of State Lands of the State Department of Conservation and Natural Resources, as ex officio~~ State Land Registrar.

(b) The Administrator of the State Public Works Division of the Department of Administration.

(c) The Director of the Department of Health and Human Services or a person designated by the Director.

Such persons shall render a decision on an application to lease property pursuant to this section within 60 days after the application is filed with the ~~Administrator of the Division of State Lands.~~ *State Land Registrar.*

3. In determining the amount of rent for the lease of property pursuant to this section, consideration must be given to:

(a) The amount the lessee is able to pay;

(b) Whether the property will be used by the lessee to perform a service of value to members of the general public; and

(c) Whether the service to be performed on the property will be of assistance to any agency of this State.

4. The State Land Registrar may waive any fee for the consideration of an application submitted pursuant to this section.

5. The provisions of this section do not apply to property granted to the State by the Federal Government and held in trust by the State for educational purposes.

Sec. 7. NRS 322.067 is hereby amended to read as follows:

322.067 1. Upon the request of the governing body of a local government, the ~~Administrator of the Division of State Lands of the State Department of Conservation and Natural Resources, as ex officio~~ State Land Registrar ~~;~~ may grant an easement for a public road to the governing body without charging a fee if the governing body agrees to pay the actual costs incurred by the State Land Registrar in granting the easement.

2. As used in this section, "local government" has the meaning ascribed to it in NRS 354.474.

Sec. 8. NRS 322.075 is hereby amended to read as follows:

322.075 Unless the fee for the term or any portion of the term of a lease of land for grazing livestock is determined pursuant to NRS 322.060:

1. The fee for the term or any portion of the term of the lease must be based on the fair market value of the interest leased, but must not be less than:

(a) The minimum grazing fee determined pursuant to subsection 2; or



- 1 (b) The base value specified in subsection 3,
2 ➔ whichever is greater, for each animal unit month leased.
- 3 2. To determine the minimum grazing fee for the purposes of
4 subsection 1, the ~~Administrator of the Division of State Lands of~~
5 ~~the State Department of Conservation and Natural Resources, as ex~~
6 ~~officio~~ State Land Registrar ~~H~~ shall:
- 7 (a) For each of the 3 years immediately preceding the year in
8 which the land is leased:
- 9 (1) Divide the price of beef cattle as set forth in the beef
10 price index for that year by the cost to produce livestock as set forth
11 in the production price index for that year; and
- 12 (2) Multiply the quotient calculated pursuant to subparagraph
13 (1) by the base value specified in subsection 3 for that year; and
- 14 (b) Upon determining an amount for each year pursuant to
15 paragraph (a), add each of those amounts and divide the sum by 3.
- 16 3. For the purposes of this section, the base value is \$1.94 for
17 the period beginning on July 1, 1997, and ending on December 31,
18 2003. On January 1, 2004, and every 6 years thereafter, the
19 Administrator shall revise the base value to adjust for inflation.
- 20 4. As used in this section:
- 21 (a) "Animal unit month" means the amount of forage required to
22 sustain one cow for one month.
- 23 (b) "Beef price index" means the index that:
- 24 (1) Indicates the price of beef cattle in this State; and
- 25 (2) Is calculated by the Administrator from data published
26 annually by the United States Department of Agriculture.
- 27 (c) "Production price index" means the index that:
- 28 (1) Indicates the cost to produce livestock, including the
29 costs related to interest, taxes and wages; and
- 30 (2) Is published annually by the United States Department of
31 Agriculture.
- 32 **Sec. 9.** NRS 322.1007 is hereby amended to read as follows:
- 33 322.1007 1. *Except as otherwise provided in subsections 3*
34 *and 4, a person must secure authorization from the State Land*
35 *Registrar before proceeding with any work below the high water*
36 *mark of a navigable river, including, without limitation:*
- 37 (a) *Dredging or filling, including, without limitation, the*
38 *construction of a push-up dam;*
- 39 (b) *Bank stabilization or restoration;*
- 40 (c) *Channel clearance that involves the use of any mechanized*
41 *equipment;*
- 42 (d) *Construction of irrigation diversions; or*
- 43 (e) *Construction of any structure on state lands.*
- 44 2. *To secure the authorization required pursuant to*
45 *subsection 1, a person must submit to the State Land Registrar an*



1 *application and the appropriate application fee established by*
2 *regulation of the State Land Registrar. An authorization issued by*
3 *the State Land Registrar pursuant to this section may include,*
4 *without limitation:*

5 *(a) A requirement that the person pay an annual use fee*
6 *established by regulation; and*

7 *(b) A clause acknowledging routine maintenance and repair of*
8 *authorized structures is allowed and does not require additional*
9 *approval within the term of the authorization.*

10 **3.** If an emergency causes an immediate threat to life, health or
11 property, a person may perform work below the high water mark of
12 a navigable river to the extent necessary to protect life, health or
13 property without first submitting an application ~~to~~ *for* or securing
14 ~~a permit~~ *authorization* from the State Land Registrar. If
15 reasonably practicable, before proceeding with any such work, the
16 person shall notify the State Land Registrar of the emergency by
17 telephone or other means. ~~Upon~~ *Not later than 15 business days*
18 *after the* completion of the work, the person initiating the work shall
19 ~~file an application with~~ *submit a form specified by* the State Land
20 Registrar ~~as required for~~ *describing* the work completed.

21 ~~2. Neither an application to nor a permit from the State Land~~
22 ~~Registrar is required for work performed below the high water mark~~
23 ~~of a navigable river which constitutes routine maintenance or minor~~
24 ~~repairs, or both, of an:~~

25 ~~—(a) Irrigation diversion structure; or~~

26 ~~—(b) Outfall structure that is regulated by an individual permit~~
27 ~~issued pursuant to NRS 445A.300 to 445A.730, inclusive;~~

28 ~~→ if the irrigation diversion structure or outfall structure is not~~
29 ~~altered beyond the existing permitted size, configuration and~~
30 ~~location and the river bed is not disturbed.~~

31 ~~3. Except as otherwise provided in subsections 1 and 4, a~~
32 ~~person must file an application with the State Land Registrar and~~
33 ~~pay any required application fee but is not required to secure a~~
34 ~~permit from the State Land Registrar to~~

35 **4.** *A person may* perform work below the high water mark of a
36 navigable river ~~for the following types of projects:~~

37 ~~—(a) Clearance of~~ *without notifying or securing authorization*
38 *from the State Land Registrar in order to clear* vegetation *or*
39 *debris* that restricts the capacity of the channel or the flow of water
40 of a navigable river, or both ~~;~~

41 ~~—(b) Clearance of debris or temporary obstructions that restrict~~
42 ~~the capacity of the channel or the flow of water of a navigable river,~~
43 ~~or both; or~~



- 1 ~~—(c) Bank stabilization or restoration, where all materials used are~~
2 ~~appropriate natural materials as determined by the State Land~~
3 ~~Registrar.~~
4 ~~—4. Unless otherwise notified by the State Land Registrar, the~~
5 ~~person may proceed pursuant to subsection 3 with any such work 14~~
6 ~~days after a completed application and any required fees are~~
7 ~~submitted to the State Land Registrar.] , so long as the work does~~
8 ~~not involve the use of mechanized equipment.~~
9 5. Work ~~{authorized by subsections 2 and 3:~~
10 ~~—(a) Must} performed pursuant to this section must be~~
11 performed in accordance with best management practices to protect
12 water quality . ~~}; and~~
13 ~~—(b) Must not significantly disturb or alter the river bed or banks~~
14 ~~or the flow of water or alter the capacity of the channel.~~
15 ~~—6. Except as otherwise provided by subsections 1, 2 and 3, a~~
16 ~~person must secure a permit from the State Land Registrar before~~
17 ~~proceeding with any work below the high water mark of a navigable~~
18 ~~river, including, but not limited to:~~
19 ~~—(a) Dredging or filling;~~
20 ~~—(b) Bank stabilization or restoration, where all materials used are~~
21 ~~not appropriate natural materials as determined by the State Land~~
22 ~~Registrar;~~
23 ~~—(c) Channel clearance; or~~
24 ~~—(d) Construction of irrigation diversions.~~
25 ~~—7. The State Land Registrar shall process the application for a~~
26 ~~permit required by subsection 6 and issue the permit or notify the~~
27 ~~applicant that the application has been denied, within 60 days after~~
28 ~~the receipt of a completed application and any required application~~
29 ~~fee. This period may be extended by mutual agreement between the~~
30 ~~State Land Registrar and the applicant.~~
31 ~~—8. Unless the period for acting upon the application is extended~~
32 ~~by mutual agreement pursuant to subsection 7, a completed~~
33 ~~application, which was properly submitted pursuant to subsection 7~~
34 ~~with any required fees, that is not acted upon by the State Land~~
35 ~~Registrar within 60 days after receipt shall be deemed approved and~~
36 ~~the work requested may proceed upon payment by the applicant of~~
37 ~~any required fee for the permit.~~
38 ~~—9.] 6.~~ All state agencies which have jurisdiction within a
39 navigable river shall cooperate with the State Land Registrar in
40 compiling information needed to process ~~{a permit}~~ **an application**
41 **for authorization submitted** pursuant to ~~{subsection 7}~~ **this section**
42 and shall provide a timely response to a request from the State Land
43 Registrar for information or assistance.
44 ~~{10.] 7.~~ Compliance with the provisions of this section does
45 not relieve an applicant from the duty to comply with the provisions



1 of NRS 455.080 to 455.180, inclusive, and any other applicable
2 requirements of other state, local, regional or federal entities.

3 ~~11.1~~ 8. *The State Land Registrar may adopt any regulations*
4 *necessary to carry out the provisions of this section, including,*
5 *without limitation, the requirements for submitting an application*
6 *for authorization.*

7 9. As used in this section, "high water mark" means the mean
8 high water line to which high water ordinarily reaches, not including
9 floodwaters.

10 **Sec. 10.** NRS 322.130 is hereby amended to read as follows:

11 322.130 Except as otherwise provided by specific statute, the
12 State Land Registrar shall charge ~~for~~ *a fee in an amount*
13 *established by regulation for the issuance and annual use of:*

14 1. A permit *or other authorization* to engage in a project for
15 dredging or filling, to construct or install any gabion, riprap or
16 similar protective structure on state land or in a navigable body of
17 water, or to construct or install any groin, seawall, breakwater, jetty
18 or similar protective structure in a navigable body of water, for ~~the~~

19 ~~—(a) Any~~ *any commercial use, agricultural use or other use .*
20 ~~other than an agricultural use, a fee of \$1,000.~~

21 ~~—(b) Any agricultural use, a fee of \$300.~~

22 ~~—(c) Any other use, except as otherwise provided in subsection 2,~~
23 ~~a fee of \$250.~~

24 2. A permit *or other authorization* to engage in recreational
25 dredging. ~~the fee of \$50 per year or \$5 per day.~~

26 3. A permit *or other authorization* to construct or install a
27 structure on state land for the diversion of water to irrigate any land
28 for agricultural use. ~~the fee of \$100.~~ The State Land Registrar shall
29 not charge a fee for the use of state land to maintain or repair such a
30 structure ~~if the permit or other authorization for construction or~~
31 ~~installation includes a clause acknowledging that maintenance or~~
32 ~~repairs are allowed within the term of the permit or authorization.~~

33 **Sec. 11.** NRS 322.160 is hereby amended to read as follows:

34 322.160 1. The proceeds of any fee, *rent or royalty* charged
35 pursuant to ~~NRS 322.100 to 322.130, inclusive,~~ *this chapter* must
36 be accounted for by the State Land Registrar and, ~~the~~

37 ~~1.1~~ *except as otherwise provided in subsection 2, paid into the*
38 *State General Fund.*

39 2. If the ~~fee~~ :

40 (a) *Fee, rent or royalty* is for any authorization to use land
41 granted to the State by the Federal Government for educational
42 purposes, the proceeds must be paid into the State Treasury for
43 credit to the State Permanent School Fund.

44 ~~2. If the fee is for any~~



1 **(b) Proceeds of the fees charged for** authorization to use ~~any~~
2 ~~other~~ state land ~~[, except as otherwise provided in this subsection,~~
3 ~~the proceeds must be paid into the State Treasury for credit to the~~
4 ~~State General Fund. If the proceeds of the fees charged]~~ pursuant to
5 NRS 322.120 ~~[to use any other state land]~~ exceed \$65,000 in any
6 fiscal year, the amount which is in excess of \$65,000 must be
7 accounted for separately **in an interest bearing account** and used by
8 the State Land Registrar to carry out programs to preserve, protect,
9 restore and enhance the natural environment of the Lake Tahoe
10 Basin. **Any interest or income earned on the money in the account,**
11 **after deducting any applicable charges, must be credited to the**
12 **account. Money that remains in the account at the end of a fiscal**
13 **year does not revert to the State General Fund and the balance in**
14 **the account must be carried forward to the next fiscal year.**

15 **Sec. 12.** Notwithstanding the amendatory provisions of this
16 act, the fees set forth in NRS 322.130, as that section existed on
17 June 30, 2019, remain in effect until the regulations establishing
18 fees pursuant to NRS 322.130, as amended by section 10 of this act,
19 are adopted by the State Land Registrar and filed with the Secretary
20 of State.

21 **Sec. 13.** NRS 322.125 is hereby repealed.

22 **Sec. 14.** This act becomes effective on July 1, 2019.

TEXT OF REPEALED SECTION

322.125 Credit toward fee for commercial use of state land.

1. The State Land Registrar shall grant a person credit towards the fee imposed pursuant to NRS 322.120 for the commercial use of state land in an amount equal to:

(a) The amount that the total fees charged to that person pursuant to that section for the previous year exceeded one and one-half cents for each gallon of fuel sold plus 5 percent of that person's gross revenue from the commercial use of that state land, excluding the sale of fuel, for that year;

(b) The amount that the United States Forest Service returned to the State of Nevada from money that the person was required to pay pursuant to a lease or permit to use federal land during the previous year which is attributable to revenues earned on land belonging to the State of Nevada; and

(c) The difference between the fee for a permit for commercial use and the fee for a permit for multiple residential use if during the



previous year the person paid the fee for a permit for commercial use but did not conduct that commercial use.

2. A person who is eligible for a credit pursuant to subsection 1 shall demonstrate to the satisfaction of the State Land Registrar that the person is entitled to such a credit.

3. If the amount of a credit granted pursuant to this section exceeds the amount of the fee imposed pursuant to NRS 322.120 for the year in which the credit will be used, the excess credit is forfeited and the State Land Registrar shall not grant a refund or apply the credit to any other year.





Summary

Senate Bill 47 clarifies when authorization from the State Land Registrar is required to occupy or perform work below the high water mark of state navigable waters. The bill also removes fees associated with such authorizations from statute and directs the State Land Registrar to establish such fees by regulation. Finally, the bill clarifies that proceeds of fees collected in excess of \$65,000 for authorization to use certain state lands be deposited in an interest-bearing account.

Authorization Guide

Activity	Required Authorization
Construction Activities	Authorization required for right of entry
Permanent Structures	Permit required
Permanent Structure Maintenance	Covered by permit
Channel Clearance of debris or clearing of vegetation using hand tools	No application or permit required
Channel Clearance of debris or clearing of vegetation using mechanized equipment	Permit required, unless maintaining a permitted permanent structure
Emergency Work	No permit required, application must be submitted after completion of work

Comparison: Current Statute and Proposed Changes

NRS Chapter 322	Senate Bill 47	Reason for the Change
<i>NRS 322.010 – 322.075, inclusive – Technical Changes</i>		
Uses the term “Administrator of the Division of State Lands of the State Department of Conservation and Natural Resources” and “State Land Registrar” interchangeably.	Sections 1-8 delete the term “Administrator of the Division of State Lands of the State Department of Conservation and Natural Resources” and uses the term “State Land Registrar” throughout.	Establishes uniform terminology throughout the Chapter.
<i>NRS 322.1007 – Performance of work below the high water mark of a navigable river</i>		
NRS 322.1007(6) refers to temporary construction activities in a state navigable river.	Section 9 moves NRS 322.1007(6) language to the top of the section and outlines the authorization that must be obtained to perform work in a navigable river (such as dredging, filling, bank stabilization, channel clearance involving mechanized equipment, construction of irrigation diversions or other structures).	Construction activities represent the majority of work performed by applicants. Placement at the top of the section will make it easier for individuals to find information pertaining to construction.
Statute currently uses the term “permit” in reference to temporary construction activities.	Section 9 replaces the term “permit” with “authorization” where appropriate.	The term “authorization” (or right of entry) is more accurate for construction activities, as “permits” are used for permanent structures already in the river.

Statute is unclear as to whether a construction authorization is required for routine maintenance.	Section 9(2) clarifies that a construction authorization is not required for routine maintenance, provided that the structure is permitted.	Clarifies statutory language and allows maintenance of permitted structures without seeking approval from the State Land Registrar.
Statute requires a person doing emergency work in a navigable river to submit an application "upon completion" of the work.	Section 9(3) specifies that an application after completing emergency work must be submitted no later than 15 business days after the work is completed.	Gives applicants more time to file an application after emergency work is completed.
Statute is unclear as to what type of channel clearance activities (clearing of debris or vegetation) require authorization.	Section 9(4) clarifies that authorization is required only if mechanized equipment is used to clear a channel. If mechanized equipment is not used, then authorization is not required.	Clarifies when an authorization is required. Promotes healthy stewardship and channel maintenance activities of navigable waters.
<i>NRS 322.130 – Establishment of fees</i>		
Statute specifies permit fees for dredging, filling, installation of breakwaters, and other activities on state land or in a navigable body of water.	Section 10 removes the fees and requires the State Land Registrar to establish the amount of these fees by regulation.	Aligns with business practices in other sections of NRS and NAC.
<i>NRS 322.160 – Accounting and use of proceeds of fees</i>		
Statute does not explicitly state what type of account fee proceeds may be deposited into.	Section 11(2)(b) clarifies that proceeds must be accounted for in an interest-bearing account and that the account does not revert to the General Fund.	Allow the existing budget account to earn interest and makes clear that the funds do not revert back to the General Fund.

ASSEMBLY BILL NO. 84—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE OFFICE OF THE GOVERNOR)

PREFILED NOVEMBER 21, 2018

Referred to Committee on Ways and Means

SUMMARY—Provides for the issuance of state general obligation bonds to protect, preserve and obtain the benefits of the property and natural and cultural resources of the State of Nevada. (BDR S-326)

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

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

AN ACT relating to state resources; providing for the issuance of state general obligation bonds to protect, preserve and obtain the benefits of the property and natural and cultural resources of the State of Nevada; providing for the use of the proceeds of the bonds; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 At the general election held on November 5, 2002, the Legislature submitted to
2 the voters of this State and the voters approved a proposal to issue general
3 obligation bonds of the State to protect, preserve and obtain the benefits of the
4 property and natural resources of this State in an amount not to exceed
5 \$200,000,000. The ballot question allocated specific amounts of the bond proceeds
6 to various governmental entities for specified programs and projects. (Chapter 6,
7 Statutes of Nevada 2001, 17th Special Session, p. 104) This bill requires the State
8 Board of Finance to issue an additional \$200,000,000 in state general obligation
9 bonds to continue to protect, preserve and obtain the benefits of the property and
10 natural and cultural resources of this State. This bill also allocates specific amounts
11 of the bond proceeds to various governmental entities for specified programs and
12 projects, some of which are the same programs and projects specified in the 2002
13 ballot question.

14 The Nevada Constitution limits the amount of debt of the State of Nevada to 2
15 percent of the assessed valuation of the State, but exempts from that limitation debt
16 incurred for the protection and preservation of the State's property or natural
17 resources or for the purposes of obtaining the benefits thereof. (Nev. Const. Art. 9,
18 § 3) This bill makes a legislative declaration that, with certain exceptions, the



19 issuance of the bonds required by this bill is necessary for the protection and
20 preservation of the property and natural resources of the State and constitutes an
21 exercise of the constitutional authority to enter into contracts for those purposes.

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

1 **Section 1.** 1. The State Board of Finance shall issue general
2 obligation bonds of the State of Nevada in a total face amount of not
3 more than \$200,000,000 to protect, preserve and obtain the benefits
4 of the property and natural and cultural resources of the State of
5 Nevada.

6 2. The bonds required to be issued pursuant to subsection 1
7 may be issued at one time or from time to time.

8 3. The Legislature shall levy such tax as may be necessary to
9 pay the principal and interest on the bonds. The proceeds of such tax
10 together with any amounts appropriated to pay the principal of and
11 interest on the bonds when due must be deposited in the
12 Consolidated Bond Interest and Redemption Fund created by
13 NRS 349.090.

14 **Sec. 2.** Except as otherwise provided in subsection 9 of section
15 3 of this act, of the total bonds issued pursuant to section 1 of this
16 act:

17 1. An amount of \$30,000,000 must be allocated to the Division
18 of State Parks of the State Department of Conservation and Natural
19 Resources to protect and preserve the property or natural resources
20 of this State or to obtain the benefits thereof for the following
21 purposes:

22 (a) For the acquisition of real or personal property or interests in
23 real or personal property for purposes related to parks and
24 recreation; or

25 (b) For the planning, design and construction of capital
26 improvements and renovations of facilities in state parks.

27 2. An amount of \$30,000,000 must be allocated to the
28 Department of Wildlife for the following purposes:

29 (a) For the acquisition of real or personal property or interests in
30 real or personal property to enhance, protect and manage wildlife
31 habitat or enhance recreational opportunities related to wildlife, or
32 both; or

33 (b) For the development and renovation of facilities or the
34 improvement of existing wildlife habitats for fish and other
35 restoration of existing wildlife habitats.

36 3. An amount of \$30,000,000 must be allocated to the Las
37 Vegas Springs Preserve in Clark County for the following purposes:

38 (a) Providing wildlife habitat;



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1 (b) Constructing buildings and other facilities for the Preserve;
2 or

3 (c) Providing other infrastructure for the Preserve.

4 ➡ The Las Vegas Springs Preserve in Clark County shall match the
5 allocation made pursuant to this subsection with an amount of
6 money or value of services, material or equipment that is equal to 50
7 percent of the cost of each project that is completed pursuant to this
8 subsection.

9 4. An amount of \$10,000,000 must be allocated to Clark
10 County for the Clark County Wetlands Park and the Lower Las
11 Vegas Wash. The money allocated pursuant to this subsection must
12 be used to:

13 (a) Divert water, control erosion and make improvements to
14 restore the existing wetlands, and to create new wetlands;

15 (b) Acquire and develop land and water rights;

16 (c) Provide recreational facilities;

17 (d) Provide additional parking for and access to the Park; and

18 (e) Construct weirs in the Lower Las Vegas Wash.

19 ➡ Clark County shall match the allocation made pursuant to this
20 subsection with an amount of money or value of services, material
21 or equipment that is equal to 50 percent of the cost of each project
22 that is completed pursuant to this subsection.

23 5. An amount of \$30,000,000 must be allocated to the Division
24 of Museums and History of the Department of Tourism and Cultural
25 Affairs to carry out the purposes set forth in this subsection. The
26 money allocated pursuant to this subsection must be used for:

27 (a) The expansion of the Nevada State Railroad Museum in
28 Boulder City;

29 (b) The rehabilitation and expansion of the East Ely Depot
30 Museum; and

31 (c) The establishment or improvement of any museum in the
32 state system of museums within the Division, including, without
33 limitation, for:

34 (1) The planning, design or construction of such a museum;

35 (2) The improvement of such a museum;

36 (3) Moving exhibits within the state system of museums; or

37 (4) Creating new or improving existing exhibits.

38 6. An amount of \$3,000,000 must be allocated to the State
39 Land Registrar of the Division of State Lands of the State
40 Department of Conservation and Natural Resources to purchase or
41 enter into a public-private partnership, or both, for the preservation,
42 rehabilitation, restoration, reconstruction or adaptive reuse of
43 properties in this State listed on the National Register of Historic
44 Places maintained pursuant to 54 U.S.C. § 302101, including,
45 without limitation, historic railroad depots.



1 7. An amount of \$67,000,000 must be allocated to the State
2 Department of Conservation and Natural Resources to carry out the
3 purposes set forth in this subsection. In making the grants pursuant
4 to paragraph (a) and entering into the contracts and other
5 agreements pursuant to paragraph (b) that are required by this
6 subsection, the State Department of Conservation and Natural
7 Resources shall ensure that \$37,000,000 is used in Clark County,
8 \$20,000,000 is used in Washoe County and \$10,000,000 is used in
9 the remainder of the State. The money allocated pursuant to this
10 subsection must be used for the following purposes:

11 (a) To make the following grants:

12 (1) Grants to state agencies, local governments or private
13 nonprofit organizations that qualify for grants pursuant to the
14 regulations adopted by the Director of the State Department of
15 Conservation and Natural Resources pursuant to this subsection, as
16 appropriate, for the design and construction of recreational facilities,
17 campsites and trails, including, without limitation, hiking,
18 equestrian and bicycle trails. Programs and projects paid for by
19 grants made pursuant to this subparagraph must be for the protection
20 and preservation of the property and natural resources of this State,
21 or for the purposes of obtaining the benefits thereof. Grants made
22 pursuant to this subparagraph must be coordinated with the Division
23 of State Parks of the State Department of Conservation and Natural
24 Resources.

25 (2) Grants to counties and municipalities for the acquisition
26 of land and water or interests in land and water to protect and
27 enhance wildlife habitat, sensitive or unique vegetation, historic or
28 cultural resources, riparian corridors, wetlands and other
29 environmental resources pursuant to an adopted plan for open
30 spaces. Grants made pursuant to this subparagraph must be
31 coordinated with the Division of State Lands of the State
32 Department of Conservation and Natural Resources and require:

33 (I) In a county whose population is 100,000 or more, that
34 the county or municipality which receives the grant matches the
35 grant with an amount of money or value of services, material or
36 equipment that is not more than 50 percent of the cost of the
37 acquisition.

38 (II) In a county whose population is less than 100,000,
39 that the county or municipality which receives the grant matches the
40 grant with an amount of money or value of services, material or
41 equipment that is not more than 25 percent of the amount of the
42 grant.

43 (3) Grants to Churchill County, Douglas County, Lyon
44 County, Washoe County or Carson City and municipalities and
45 conservation districts located within those counties to enhance and



1 restore the Carson River and Truckee River corridors. Grants made
2 pursuant to this subparagraph must require that the county,
3 municipality or conservation district which receives the grant match
4 the grant with an amount of money or value of services, material or
5 equipment that is not more than 50 percent of the cost of the project
6 for which the grant is awarded. Money awarded for grants pursuant
7 to this subparagraph must be used to:

- 8 (I) Acquire and develop land and water rights;
- 9 (II) Provide recreational facilities;
- 10 (III) Provide parking for and access to and along the
11 Carson River or Truckee River; or
- 12 (IV) Restore the Carson River and Truckee River
13 corridors.

14 (4) Grants to Douglas County, Washoe County or Carson
15 City and municipalities located within those counties to enhance and
16 develop the Lake Tahoe Path System. Grants made pursuant to this
17 subparagraph must require that the county or municipality which
18 receives the grant match the grant with an amount of money or
19 value of services, material or equipment that is not more than 50
20 percent of the cost of the project for which the grant is awarded.
21 Money awarded for grants pursuant to this subparagraph must be
22 used to:

- 23 (I) Acquire land for the path system; or
- 24 (II) Develop the path system.

25 (5) Grants to state agencies, counties, municipalities or
26 private nonprofit organizations that qualify for grants pursuant to the
27 regulations adopted by the Director of the State Department of
28 Conservation and Natural Resources pursuant to this subsection, as
29 appropriate, for the acquisition of credits through a system that
30 awards credits to persons, federal and state agencies, counties,
31 municipalities, conservation districts and nonprofit organizations
32 who take measures to protect, enhance or restore sagebrush
33 ecosystems established by the Sagebrush Ecosystem Council created
34 by NRS 232.162. Credits may only be acquired pursuant to this
35 subparagraph for the purpose of the retirement of the credits.

36 (6) Grants to state agencies, local governments, conservation
37 districts and nonprofit organizations that qualify for grants pursuant
38 to the regulations adopted by the Director of the State Department of
39 Conservation and Natural Resources, as appropriate, for the
40 purposes of carrying out projects to create resilient landscapes by
41 reducing the threat of catastrophic wildfire, improving the condition
42 and ecological health of watersheds and rehabilitating lands
43 damaged by wildland fires. Grants made pursuant to this
44 subparagraph must be coordinated with the Division of Forestry of
45 the State Department of Conservation and Natural Resources.



(7) Grants to state agencies, local governments, conservation districts and nonprofit organizations that qualify for grants pursuant to the regulations adopted by the Director of the State Department of Conservation and Natural Resources, as appropriate, for the inventory, enhancement and restoration of wetlands. Grants made pursuant to this subparagraph must be coordinated with the Nevada Natural Heritage Program within the State Department of Conservation and Natural Resources.

(8) Grants to nonprofit organizations that qualify for grants pursuant to the regulations adopted by the Director of the State Department of Conservation and Natural Resources, as appropriate, to plan, design, construct or develop the Vegas Valley Rim Trail in Clark County.

(b) To carry out contracts or agreements under which nonprofit conservation organizations may acquire land and water or interests in land and water for the public benefit, to protect and enhance wildlife habitat, sensitive or unique vegetation, historic or cultural resources, riparian corridors, floodplains and wetlands and other environmental resources. Any money provided by the State Department of Conservation and Natural Resources pursuant to this paragraph must be matched by an amount of money or value of services, material or equipment that is not more than 50 percent of the cost of the acquisition. The investment of this State in any property acquired pursuant to this paragraph must be secured by an interest in the property.

↪ The Director of the State Department of Conservation and Natural Resources shall adopt such regulations as the Director determines are necessary to carry out the programs and projects and make the grants described in this subsection. The regulations adopted by the Director must state whether and to what degree applicants for grants must match any money awarded.

Sec. 3. 1. The proceeds of the bonds issued pursuant to section 1 of this act must be accounted for separately in the State General Fund.

2. The Director of the State Department of Conservation and Natural Resources shall administer the account created pursuant to subsection 1 and prescribe the method pursuant to which the governmental entities which administer the programs and projects described in section 2 of this act may request money from the account in accordance with the allocations made pursuant to that section.

3. Any interest or income earned on the money in the account must be credited to the account. Any money remaining in the account at the end of the fiscal year does not revert to the State General Fund but remains in the account for authorized expenditure.



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1 4. All claims against the account must be paid as other claims
2 against the State are paid.

3 5. The State Department of Conservation and Natural
4 Resources may use the proceeds from the bonds issued pursuant to
5 section 1 of this act and the interest income thereon to defray the
6 costs of administering the provisions of this act and may request an
7 appropriation to defray the costs of administering this act if the
8 money in the account is not sufficient. The money in the account
9 must be used only for the purposes set forth in this act and must not
10 be used to replace or supplant funding available from other sources.

11 6. Any interests in land or water acquired by the State pursuant
12 to this act:

13 (a) Must be acquired and held by the Division of State Lands of
14 the State Department of Conservation and Natural Resources
15 pursuant to chapter 321 of NRS.

16 (b) Must not be acquired by condemnation or the power of
17 eminent domain.

18 ↪ The acquisition of any water rights pursuant to this act must not
19 have a negative impact on the distribution of water to other persons
20 who hold valid water rights.

21 7. Any property acquired pursuant to the provisions of this act
22 may include easements and other interests in land. Before acquiring
23 any interest in land pursuant to this act, recipients of money
24 pursuant to this act must consider such alternatives to the acquisition
25 of fee simple title as may be available, including, without limitation,
26 the acquisition of easements and remainders after life estates.

27 8. If any interests in land or water acquired by the State
28 pursuant to this act, or portions thereof, are later determined not to
29 be necessary to carry out the purposes of the act, those interests may
30 be sold or leased by the Division of State Lands pursuant to chapter
31 321 of NRS and the proceeds deposited in the account created
32 pursuant to subsection 1. The proceeds received from such
33 transactions must be expended to carry out the purposes of this act.

34 9. Money may be reallocated among the purposes set forth in
35 each subsection of section 2 of this act with the advance approval of
36 the Interim Finance Committee.

37 10. The Interim Finance Committee must approve the issuance
38 of any bonds issued pursuant to this act if the proceeds of which will
39 be used for the purposes set forth in paragraph (a) of subsection 7 of
40 section 2 of this act.

41 11. Except as otherwise provided in subsection 12, all money
42 derived from bonds issued pursuant to this act and any interest
43 earned thereon may be used only to pay, reimburse, finance or
44 otherwise provide money for items which are capital expenditures as
45 defined in the regulations adopted pursuant to section 150 of the



1 Internal Revenue Code of 1986, as amended, 26 U.S.C. § 150. The
2 State Treasurer may require certifications by recipients of bond
3 proceeds as to compliance with the requirements of this subsection
4 before the disbursement of bond proceeds.

5 12. The provisions of subsection 11 do not apply to an amount
6 that does not exceed 2 percent of the proceeds of each issue of
7 bonds issued pursuant to this act that is used as provided in
8 subsection 5.

9 **Sec. 4.** The Legislature finds and declares that the issuance of
10 bonds pursuant to this act, except the use of the proceeds of those
11 bonds pursuant to subsections 3, 5 and 6 of section 2 of this act and
12 subparagraph (5) of paragraph (a) of subsection 7 of section 2 of this
13 act and paragraph (b) of subsection 7 of section 2 of this act:

14 1. Is necessary for the protection and preservation of the
15 property and natural resources of this State and for the purpose of
16 obtaining the benefits thereof; and

17 2. Constitutes an exercise of the authority conferred by the
18 second paragraph of section 3 of article 9 of the Constitution of the
19 State of Nevada.

20 **Sec. 5.** To the extent not inconsistent with the provisions of
21 this act, the provisions of the State Securities Law, contained in
22 chapter 349 of NRS, apply to the bonds issued pursuant to this act.

23 **Sec. 6.** Notwithstanding the provisions of NRS 361.453 to the
24 contrary, any levy imposed by the Legislature for the repayment of
25 bonded indebtedness issued pursuant to the provisions of this act
26 must not be included in calculating the limitation set forth in
27 subsection 1 of NRS 361.453 on the total ad valorem tax levied for
28 all public purposes.

29 **Sec. 7.** If any provision of this act, or application thereof to
30 any person, thing or circumstance, is held invalid, the invalidity
31 shall not affect the provisions or application of this act which can be
32 given effect without the invalid provision or application, and to this
33 end the provisions of this act are declared to be severable.

34 **Sec. 8.** This act becomes effective on July 1, 2019.

