

SOUTHERN NEVADA LAND

HEARINGS

BEFORE THE

SUBCOMMITTEE ON NATIONAL PARKS, FORESTS,
AND LANDS

OF THE

COMMITTEE ON RESOURCES
HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTH CONGRESS

SECOND SESSION

ON

SOUTHERN NEVADA PUBLIC LAND MANAGEMENT

APRIL 5, 1996—LAS VEGAS, NV

FEDERAL LAND DISPOSAL IN SOUTHERN NEVADA

APRIL 23, 1996—WASHINGTON, DC

H.R. 3127

**TO PROVIDE FOR THE ORDERLY DISPOSAL OF FEDERAL LANDS IN
SOUTHERN NEVADA, AND FOR THE ACQUISITION OF CERTAIN EN-
VIRONMENTALLY SENSITIVE LANDS IN NEVADA, AND FOR OTHER
PURPOSES**

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SOUTHERN NEVADA PUBLIC LAND MANAGEMENT

FRIDAY, APRIL 5, 1996

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON NA-
TIONAL PARKS, FORESTS AND LANDS, COMMITTEE ON
RESOURCES,

Las Vegas, NV.

The Subcommittee met, pursuant to call, at 9:58 a.m., in the County Commissioner's Chambers, Clark County Government Center, Las Vegas, Nevada, Hon. Hansen [Chairman of the Subcommittee] presiding.

STATEMENT OF HON. JAMES HANSEN, A U.S. REPRESENTATIVE FROM UTAH, AND CHAIRMAN OF THE SUBCOMMITTEE ON NATIONAL PARKS, FORESTS AND LANDS

Mr. HANSEN. The meeting will come to order.

I would like to welcome everyone out today to this field hearing of the House Subcommittee on National Parks, Forests and Lands.

In starting, I would like to thank Congressman John Ensign for his fine work on this legislation. He has done a remarkable job in bringing together very diverse groups to craft what I consider an excellent piece of legislation, one that will benefit both his constituents as well as serve the best interests of the United States. I look forward to a long working relationship with John. He is a great asset to Congress and to people in Nevada and a great Member of the Committee.

I would also like to thank and recognize my friend, Congressman Wes Cooley, for his diligence in attending this field hearing. I understand that he drove all the way from Oregon with his wife Rosemary. They deserve the golden wheel award for logging the most miles. We appreciate you being with us, Wes.

This legislation before the Subcommittee today is an important step in providing for the orderly disposal of Federal lands in Clark County. It builds on the existing Santini-Burton Act and enhances the best elements of that act. I do not have to remind these folks of the unprecedented growth that the Las Vegas Valley has experienced. Driven by sustained employment growth, Clark County is among the fastest growing areas in the United States. It is my understanding that in 1994 alone, local governments issued over 25,500 residential building permits. As Clark County is surrounded by Federal land, one can imagine that this growth has created enormous demands upon the Las Vegas District of the Bureau of Land Management.

With an increasing demand for large contiguous tracts of land and a lack of large available contiguous private land parcels, the phenomenal growth in the Las Vegas area has triggered the greatest demand for public land exchanges and other realty actions in BLM's history. In the last decade, BLM has privatized approximately 17,380 acres of land in Clark County. They are currently considering over 20 applications for land exchanges that could privatize an additional 53,000 acres. The privatization of these Federal lands has an enormous impact upon Clark County and the other units of local government. As someone who started politics as a city councilman, I understand the needs and concerns of local government. It does not take much thought to understand the many impacts caused by the privatization of Federal lands in such large amounts. The primary impacts include the need for installation of new infrastructure, growth patterns, increased pressure on shrinking water supplies and additional demands placed upon all public service providers.

Additionally, the need for local governments to plan for growth is paramount. Without a mechanism to provide for the orderly disposal of Federal lands in this valley, we will continue to face what amounts to a crisis. I applaud Congressman Ensign and the Senators and the Governor, those who have been working on this and the many people involved in the creation of this legislation. It will allow for the disposal of excess Federal lands in a planned and careful manner and will allow for local governments to develop the necessary infrastructure to serve the growing demands of these newly privatized Federal lands.

I want to thank each of our distinguished witnesses today for their testimony. I know they have given much thought and work to this important legislation and I look forward to continuing dialog with them as Congressman Ensign and the Committee moves forward on this legislation, which we fully intend to do.

At this point, I would like to recognize my two colleagues. I am honored to have the Governor, Senator Bryan and Paul Christensen with us. It is a great honor to have you with us and we will turn to you after opening statements.

John Ensign.

STATEMENT OF HON. JOHN ENSIGN, A U.S. REPRESENTATIVE FROM NEVADA

Mr. ENSIGN. Thank you, Mr. Chairman.

I want to offer my sincere thanks to you for having this field hearing in southern Nevada. It is our chance to show what a broad coalition we have brought together to form this piece of legislation and how broad-based the support is across the community.

I also want to thank my fellow classmate, Wes Cooley, for coming down here from Oregon. I know how busy my schedule is now, especially as a freshman, and I just want to take the time to say thanks, Wes, for coming down and being a part of this.

I am confident that you will be pleasantly surprised when you hear the testimony that expresses such broad-based support that we do have in this community for this legislation. I will keep my comments brief so as to allow you to hear our witnesses.

Mr. Chairman, I am sure you know from experience in Utah the land exchange process is fundamentally flawed, especially in Las Vegas where the community is facing the highest growth rate of anywhere in the country. The local governments and service providers are burdened with the responsibility of providing infrastructure and services outside the current service area. The appraisal and entire land exchange process by the BLM has been questioned and subject to a host of other problems. H.R. 3127 has been carefully crafted with the involvement of local Federal agencies, developers, local government officials and environmentalists to provide a remedy to all existing problems. H.R. 3127 is based on the existing legislation known as the Santini-Burton Act.

Senator Bryan and I—and I want to thank Senator Bryan's work on this issue. He certainly has been a leader. I also think we have to recognize the person that I actually replaced, Congressman Jim Bilbray. He was the one who started the task force getting the various community groups together to just start discussing some of the issues and it led really to the formation of this type of legislation.

H.R. 3127 also has the support of local government officials and various people across the valley. We have taken all the various concerns and compromised and brought it together where we have a very broad-based support. And with all the vast problems facing southern Nevada as a result of our phenomenal growth, H.R. 3127 is an effort to remedy many of these problems and provide the local governments the tools to control the growth and development the Las Vegas Valley is experiencing.

Mr. Chairman, you will hear unbelievable statistics demonstrating the real circumstances I have just described. Likewise, you will hear from a variety of views how H.R. 3127 will significantly help them contend with the situation effectively. We have provided funding for Clark County to supply parks or recreational facilities throughout the county. With all this explosive growth, it is vitally important that we ensure the existence of sufficient, quote, "green space". Additionally, this surge of population growth has resulted in significant economic and environmental impacts upon our recreational areas such as Lake Mead, Spring Mountain and Red Rock and others. The Ensign-Bryan Bill will help adequately fund these areas. You notice how we said Ensign-Bryan Bill. That is on the House side. I am sure it will be addressed differently on the Senate side. A portion of these revenues generated could be designated for infrastructure improvements in these areas. With over 2.5 million people expected to visit Red Rock by 2025, this additional funding will be a welcome contribution.

And lastly, Mr. Chairman, a portion of the revenue will be used by Southern Nevada Water Authority for construction of a future water delivery system. The ability of residents to receive an adequate water supply is the most pressing issue currently facing southern Nevada.

I think it is very important to point out that the value of this land is greatly inflated due to the services that taxpayers are providing. This added value, by providing services, is paid for by current taxpayers and ratepayers. People currently live in the area, including all of our panelists, Senator Bryan, Governor Miller and myself, and I see no reason why we should not all be getting a lit-

tle something back from the sale of these lands that our utility bills have made so valuable. Without this infrastructure, the BLM land out there would basically be worthless.

Mr. Chairman, again, I want thank you for your devotion to the issues facing the Committee. Your leadership and willingness to assist southern Nevada is most appreciated and I look forward to working with you in our effort to pass this outstanding legislation.

Mr. HANSEN. Thank you very much for your testimony.

Our friend from Oregon, Mr. Cooley. I will turn the time to you for an opening statement, sir.

**STATEMENT OF THE HON. WES COOLEY, A U.S.
REPRESENTATIVE FROM OREGON**

Mr. COOLEY. Well, I want to thank you, Mr. Chairman, and Congressman Ensign for inviting me down here. Excuse my voice, but somewhere along the way, I started losing it. I think I am catching a cold. Is that not awful?

Anyway, I am an advocate of private property rights and I am very interested in land-use planning, both by public and private sector. I think this is a milestone for what we are going to see in the future. Some people are probably not aware of it but the Bureau of Land Management was really formed when the Homestead Act was discontinued, and this land that we are looking at today was originally supposed to stay with the State of Nevada and be used for development. We are starting to look back at that concept to take it away from the bureaucracy in Washington and give it back to the local authorities and the people in the particular areas in which it is located. I think this is a good piece of legislation to further that goal and that philosophy. Nobody knows better how to run Las Vegas, Nevada and this State than you people here; not the people sitting in Washington, DC. So, I think this is an absolutely great opportunity to show how we in Washington can give back to you in your own State, to allow you to manage the lands in the best way that is beneficial to your community. That is why I am very much interested in hearing your testimony today.

I want to thank Chairman Hansen for putting this on and Senator Bryan and Representative Ensign for putting together this legislation. I certainly would like to hear from Governor Miller. I know about his feelings on this issue. I think we will see more of this going on in the western part of the United States where most of our land was not properly homesteaded, but was pulled back by the Federal Government. Some of our States such as Nevada and my State of Oregon, which is 86 percent owned by the Federal Government one way or another, generates very little tax revenues and helps out the communities very little in the philosophy that they want to lock everything up.

So, I am looking forward to the testimony by people that you have elected, people that are very knowledgeable, to see how we can properly distribute this land back to the local people and to be used in a way that will benefit the local people. We can do this and also protect the environment and add community development for our future generations.

I want to thank you again for this time.

Mr. HANSEN. Thank you, Mr. Cooley.

We have four panels today for this hearing. In our first panel, we are honored to have Governor Robert Miller, the Governor of the State; U.S. Senator Richard Bryan and former Governor of the State and Mr. Paul Christensen, Clark County Commissioner. We will take you in that order, if that is all right. Governor, we will start with you. We will turn the time to you.

Christina, we do not limit these gentlemen. So do not worry about the clock here.

Senator BRYAN. That could be your first mistake, Mr. Chairman. [Laughter.]

Governor MILLER. Yeah, that is a real problem. Two of the three of us are lawyers. You know, maybe Paul can say it more succinctly.

STATEMENT OF HON. ROBERT MILLER, GOVERNOR OF THE STATE OF NEVADA

Governor MILLER. Mr. Chairman and members of the Committee, I am pleased to be able to be here today and speak in support of the proposed Southern Nevada Public Land Management Act of 1996, H.R. 3127. I compliment Congressman Ensign, as well as Senator Bryan, for seeking action in this critical area. The Las Vegas metropolitan area, as certainly all of us that live here are aware, is the fastest growing urban area in the United States. There is a need to provide for this growth in an orderly and environmentally sound manner. H.R. 3127 will provide for the efficient and well thought-out transfer of public land, and it will allow urban planning to be accomplished in a logical and effective manner. So, I encourage the Congress to pass this legislation.

The landownership pattern in the Las Vegas Valley is somewhat unique. There are many isolated parcels of public land administered by the Bureau of Land Management. These parcels vary in size from quite small to large and are interspersed with county, city and private land. In addition to being difficult for the BLM to manage, these scattered pockets of Federal land hinder the proper expansion pattern of the metropolitan Las Vegas area. This pattern of isolated parcels also complicates the development of community infrastructure at a time when efficient planning is crucial to accommodate Nevada's new citizens, of which there are many.

H.R. 3127 will allow local governments to have a greater measure of control over the design of the community by giving them a stronger voice in the decisions for Federal land disposal and retention. This authority is important to the effective planning of the Las Vegas Valley. Retention or disposal of lands managed by the BLM need to be based upon the recommendations and approval of local government and the public. Cooperation between the local governments and the BLM is also sensible because the value of Federal lands in the Las Vegas Valley is enhanced by the local infrastructure improvements that are paid for by local government and local taxpayers.

The concept behind 3127 is not necessarily new. In 1980, Nevada Congressman Jim Santini and California Congressman Philip Burton passed legislation that provides for the orderly transfer of Federal lands in a designated area of Las Vegas. That act was commonly referred to as the Santini-Burton Act and it authorized the

sale of several thousand acres of isolated BLM parcels located in the previously urbanized area of Las Vegas.

The Santini-Burton lands were most practical for public and private use and have been transferred for that purpose. Today, homes, streets, shopping centers and business parks are on those formerly Federal lands and the Las Vegas community has expanded to encircle additional isolated parcels of Federal land. As an echo to the pre-Santini-Burton land pattern, these Federal parcels hinder the continued logical planning of southern Nevada communities.

H.R. 3127 is neither a giveaway of Federal lands, nor is it simply a disposal program. It includes another laudable concept from the Santini-Burton Act by requiring that a portion of the proceeds is dedicated to Federal acquisition of environmentally sensitive lands throughout the State, with a priority on lands here in southern Nevada.

Nevadans—indeed, all Americans—will benefit from the Santini-Burton legacy. The proceeds from the sale of 2700 acres of public land in the Las Vegas area have provided for the purchase of 11,248 acres in our pristine Lake Tahoe Basin. The 3470 different parcels that have been acquired have a cumulative value of approximately \$99 million. These lands are today used for recreation and for protection of water quality and aesthetics. A prime example is the 40 acres acquired at Lake Tahoe's Secret Harbor, described in glowing terms by Mark Twain in his immortal sketch "Roughing It." In addition, various Lake Tahoe Basin stream zones and watersheds have been purchased, preventing development that would have caused permanent environmental damage to Lake Tahoe.

Similar to the Santini-Burton Act, H.R. 3127 enables the Secretary of the Interior and the Secretary of Agriculture to identify and purchase environmentally sensitive lands throughout this State and it puts an appropriate emphasis on southern Nevada where population is expanding and where the revenues are to be generated.

This legislation also contributes revenues to southern Nevada communities to help meet their infrastructure needs created by the recent population growth. The Southern Nevada Water Authority will receive 25 percent of the revenues to help in construction of a water treatment and transmission facility.

Clark County would receive 20 percent of the revenues for the development of much needed parks, trails and other public recreation purposes. In addition, up to 12 percent of every parcel relinquished by the BLM will be offered for public purposes. This partnership compliments the highly successful Recreation and Public Purposes Act adopted by Congress early this century.

Education in Nevada will benefit by receiving five percent of the proceeds and these funds will be deposited in the State's permanent school fund.

In summary, the Santini-Burton Act has proved tremendously beneficial to the State of Nevada. That law, however, no longer provides for the urban planning needs of the Las Vegas area. So, I again compliment Congressman Ensign, Senator Bryan, yourself and others for supporting this legislation which I believe will provide for the orderly and sensible transfer of various parcels of BLM

land. I appreciate the opportunity to share these views with you today.

Mr. HANSEN. Thank you, Governor. We appreciate your testimony.

Senator Bryan.

STATEMENT OF HON. RICHARD BRYAN A U.S. SNTOR FROM NEVADA

Senator BRYAN. Thank you very much, Mr. Chairman. Let me preface my remarks by thanking you very much for convening this hearing. To thank my friend and colleague, Congressman Ensign, for requesting these hearings to be held and, Representative Cooley, for your sharing time from your very busy schedule to be with us today. I appreciate the chance to share my thoughts before you this morning.

But before I begin to discuss the legislation, I would like to first point out a little bit of the history and the background on this. Each individual who testifies before you today played an important role in crafting the legislation that is before us. Over the last two years, each of the individuals you will hear from participated in numerous hearings of the Southern Nevada Public Lands Task Force. As Congressman Ensign pointed out, that task force was originally established in the summer of 1994 to provide an open forum in which public land issues affecting the Las Vegas Valley could be discussed among Federal, State, local and private entities. It is comprised of representatives from the State of Nevada, the county of Clark, the cities of Las Vegas, North Las Vegas and Henderson, the Bureau of Land Management, the Forest Service, the National Park Service, the Fish and Wildlife Service, the Southern Nevada Water Authority, the Regional Flood Control District, the Clark County School District and representatives of the development and environmental communities.

At its inception, the Task Force had two primary goals for itself. (1) to establish and maintain a better working relationship between the BLM and local government planning agencies; (2) to develop a master plan for the Las Vegas Valley that identifies those BLM lands that should be transferred to private ownership and those which should be retained for public purposes. The first goal of this Act has largely been achieved thanks to the hard work of BLM's new Las Vegas District Office Manager, Mike Dwyer. Mike has the unenviable task of managing one of the most active BLM districts in the country during a time of shrinking Federal budgets. In spite of the limited resources available to him and his staff, they have managed to reach out to local governments to coordinate those planning efforts.

Last summer, Senator Reid and I reconvened that task force to build on a goal of developing a master plan for the Las Vegas Valley. We worked closely with the task force in our efforts to develop a legislative proposal that sought to improve the current BLM land disposal policy in the Las Vegas Valley. This proposal eventually became the Southern Nevada Public Land Management Act. And I would commend our colleague, Congressman Ensign, for his support and participation and the bipartisanship which he has shown

by offering a piece of legislation that is virtually identical to the legislation that Senator Reid and I have introduced in the Senate.

I share this background information about the task force with you because I feel it is important for you to know that the legislation before you today is truly the product of the community. I do not suggest that in each and every detail everyone agrees. There are some differences of opinion. But this process and this bill is the product of a consensus building that was fully inclusive. Everyone had an opportunity to participate and to share his or her thoughts. By anyone's definition, Mr. Chairman, this was in a classic sense a grassroots effort to develop legislation. The comment that you made earlier, this is legislation that has moved from the bottom to the top as opposed to the option that we have seen so much in the past where people in Washington are telling people at the State and local levels this is what we think is best for you. This legislation represents the very antithesis of that approach.

The Southern Nevada Public Land Management Act is a response perhaps to the greatest challenge that we face in this community, the need to promote responsible, orderly growth in the Las Vegas Valley while protecting our surrounding environment and enhancing the recreational opportunities that makes southern Nevada such a delightful place to live. In the broadest sense, the legislation reflects a partnership between Federal, State and local entities to enhance the quality of life in the Las Vegas Valley and throughout the State of Nevada.

At the conceptual level, the legislation represents a synthesis of two previously enacted public land bills that specifically address public land management issues in southern Nevada, the Santini-Burton Act and the Apex land transfer legislation. As has been commented, the Santini-Burton Act was enacted in 1980 and authorized the sale of BLM land in Las Vegas to fund the acquisition of environmentally sensitive land in the Lake Tahoe basin. And if I may say as a parenthetical aside, we in Nevada, whether north or south, believe that Lake Tahoe is nature's gift to Nevada, and I must say, I think that piece of legislation has been extremely helpful to us in Nevada. Our legislation that we offered offers a similar proposition, the sale of Federal land in the Las Vegas Valley should be used as a means of protecting environmentally sensitive land throughout the State of Nevada and of enhancing the use of public recreational areas in southern Nevada. With nearly 5000 new residents moving into the valley each month, it is important that we protect our open spaces around the valley from the development and to expand recreational opportunities for the public in order to maintain the quality of life which we in southern Nevada have come to expect and to enjoy. This marks my 55th year as a member of this community. I love it today as I loved it when it was 8,500 people when I first came here as a youngster. It is even more challenging, as I am sure you recognize, Mr. Chairman and your colleagues and obviously Congressman Ensign who lives in this community, that this growth has had an enormous impact on southern Nevada.

Also in keeping with the Santini-Burton legislation, our legislation recognizes that land use planning decisions are best made at the local level, so our proposal gives local government an equal

voice in deciding when and where Federal land sales should occur in the valley. The map referenced in Section Four of the bill would establish a boundary for future BLM land sales and exchanges in the Las Vegas Valley, and combined with other components of the bill, it would serve as the blue print to assist us in designing public land policy for the 21st century. The map essentially represents the maximum build-out boundary for the valley. It was generated in close consultation with local governmental planning agencies and other members of the task force to reflect their vision for the future growth and development of the valley.

The Apex land transfer legislation enacted in 1989, as you will recall, transferred more than 20,000 acres of BLM land just outside the Las Vegas Valley to Clark County for the development of a heavy-use industrial site. When the land is improved and eventually sold by Clark County to a private entity, the revenue sharing provisions of the Act allows Clark County to recover the value of the infrastructure improvements it has made to the land before providing the Federal Government with its share of the proceeds from the sale. The legislation before us today recognizes the same principle, that the presence and proximity of local governmental services and infrastructure increases the value of Federal land. Consequently, our legislation would direct a portion of the proceeds of Federal land sales to local government to assist with local infrastructure development and to the State of Nevada for the benefit of general education.

Mr. Chairman and members of the Subcommittee, I believe this legislation will make great strides toward improving public land management policy in southern Nevada. With the tremendous influx of land exchange proposals over the last year, it will provide local land managers with the tools they need to craft a more proactive role for themselves and Federal land disposal decisions. I look forward to working with you, Mr. Chairman, obviously Congressman Ensign and other members of the Subcommittee and my colleague in the Senate, Senator Reid.

Mr. Chairman, if I may, I would ask unanimous consent—Senator Reid, as you know, is on a mission in Bosnia as we speak and he is a co-sponsor of the legislation in the Senate and I would ask unanimous consent that his comments be made a part of the record.

Mr. HANSEN. Without objection.

[The prepared statement of Hon. Harry Reid follows.]

STATEMENT OF HON. HARRY REID, A U.S. SENATOR FROM NEVADA

Mr. REID. Mr. Chairman, I appreciate this opportunity today to lend my support to this bill and look forward to its passage. The history of this endeavor has its genesis with former Congressman Jim Bilbray's public lands forum. The follow up to this effort was a public lands conference called by Senator Bryan and me, from which this bill before us today evolved.

The Las Vegas Valley over the past 10 years has seen phenomenal growth, some 4,000 new residents per month. This influx of new residents has put great pressure on the infrastructure, as well as local, State and Federal recreational assets. That is why this bill is so important to the future of southern Nevada. While no one thing or event can solve all the problems associated with the burgeoning growth rate that has occurred, we can take steps to see that it does not get out of control. This measure that is the focus of today's hearing will have many hurdles that will be placed before it, however, I am confident that with the Nevada Congressional delegation working together as a team there will be no obstacle we cannot overcome.

As we approach the 21st century we have to be cognizant of our future generations and the legacy we will leave them. Any growth that occurs in any community must have coordinated planning and this measure will greatly assist with this process. This bill would provide for the orderly disposal of public lands in southern Nevada, and for the acquisition of certain environmentally sensitive lands in the State. Additionally, it allows State, county and city governments to better manage the costs associated with the development of these disposed lands by adding to the State education fund, as well as assisting with the future development of the southern Nevada Water System and Airport infrastructure. We must also see that the surrounding community will enjoy protected and preserved wild and scenic places for future generations. From the unequaled beauty of Red Rock Canyon to the majestic Spring Mountains to the shores of Lake Mead I have and will continue to protect the natural wonders that surround this valley.

This bill will allow the State, county and city governments to realize more of the benefits that come as a result of Federal land sales and exchanges. Additionally, it will assist us in protecting and preserving our surrounding environment and improve the quality of life for all of the residents of Clark County.

Mr. Chairman, I look forward to working with this committee on this important legislative matter. Thank you.

Senator BRYAN. I thank you, Mr. Chairman.

Mr. HANSEN. Thank you, Senator. We appreciate your testimony.

Commissioner Paul J. Christensen. We are grateful you can be with us. We will turn the time to you, sir.

STATEMENT OF PAUL CHRISTENSEN, VICE CHAIRMAN, BOARD OF COUNTY COMMISSIONERS, LAS VEGAS, NEVADA

Mr. CHRISTENSEN. Well, I thank you for inviting me to testify in support of H.R. 3127. I appreciate being here, and I am the one that is not the attorney.

In August of last year, I proposed a resolution that the Board of County Commissioners adopted supporting the introduction of the Nevada Public Lands Management Act. I proposed that resolution because of the problems we face when we have no involvement in the public lands disposal process and must pay for all of the infrastructure impacts from privatization of public lands.

Right now, the BLM is considering over 20 applications for land exchanges that could privatize another 53,000 acres of land in the Las Vegas Valley. Six of these proposed exchanges are on priority with the BLM, and total over 13,000 acres of land.

In 1980, the Santini-Burton Act was adopted as a mechanism to provide some order and a Federal-State partnership for the disposal of Federal lands in Clark County. Under the Santini-Burton Act, local government nominated the Federal land to be sold at auction and participated in sharing some of the revenue for infrastructure. To date, 2,696 acres of land have been privatized under Burton-Santini land sales. Compare this to over 17,000 acres which have been privatized through land exchanges just in the last few years.

The land exchange process contributes to urban development occurring on the fringes of the valley far from existing public infrastructure of roads, water service, sewer, schools, fire protection, etc.

Under the current system, local governments do not have much input into the process before they—beforehand and they end up having to provide public services to the lands that become private in places where it costs the most money. While we have to make decisions about zoning and land use, increasingly local government's authority to deny land uses is becoming limited by court de-

cisions. So it is easy to say just use your local authority to deny land use applications, but the reality is that we cannot.

When local governments build infrastructure systems, the value of Federal land is increased. It is our local residents, through taxes and fees, that contribute significantly to the increased value of the Federal land and it is the Federal Government that benefits from that local investment.

We support the proposed legislation for several reasons. We see three major benefits. We get to be more involved in the process. Like Santini-Burton, we have a say in the process of land disposal. We get some of the financial benefit for our water development and for our parks. The people who have made the investment that causes the value of Federal land to increase are partially reimbursed for infrastructure costs.

Third, the Federal agencies that serve our local community and our tourist population that come from all over the world would get some financial help for improving and maintaining the National treasures that are located here in southern Nevada such as Lake Mead, Red Rock and Mount Charleston, and are impacted by the growth brought about when Federal land is made available for development.

There is one more issue I want to cover. I am sure you have all heard of a critter called the desert tortoise. In 1989, the Federal Government determined that the desert tortoise was a threatened species. One of the major factors they cited that caused it to be threatened was urban development. Oddly enough, it is the Federal Government that is facilitating most of the urban development that is occurring in southern Nevada today. And guess who is paying for the impact, the local residents.

Clark County has collected over \$19 million in fees from land developers to protect the desert tortoise and other species. Clark County is spending that money on Federal land. Over 90 percent of desert tortoise habitat is on Federal land and the people of Clark County are paying to preserve it. The money is used by Federal agencies.

The Nevada Public Lands Management Act is a growth management tool that makes sense for Clark County and the State of Nevada. It also makes sense for the Federal Government because the funds from the sale or exchange of Federal land would go toward improving the natural resources that will be impacted by the resultant growth. Resources like the Lake Mead National Recreation Area, the Red Rock Canyon National Conservation Area and the Toiyabe National Forest would be eligible for funding derived from the privatization of public land in Clark County. Whether you think about economics, conservation, growth management or just plain and simple fairness, the Nevada Public Lands Management Act makes sense.

Thank you.

[The prepared statement of Mr. Christensen may be found at the end of hearing.]

Mr. HANSEN. Thank you, Commissioner. We are very conscious of the desert tortoise. I represent Washington County here—

Mr. CHRISTENSEN. I bet you are.

Mr. HANSEN [continuing]. And the hell we have gone through on this HCP. I would hope that the folks in Nevada would see that the bill that we have drafted on modifying the Endangered Species Act is a very reasonable, moderate bill and not listen to the media hype and get carried away. Excuse me, that was a commercial I had to give.

Representative Ensign, the gentleman from Nevada.

Mr. ENSIGN. Thank you, Mr. Chairman.

Governor Miller, I—do you believe that the legislation provides adequate balance to sell off BLM land and acquire sensitive land, yet dispel the concerns voiced by some northern Nevadans? You know, we obviously do not want to divide the State. What are your feelings on how the northern part of the State would react to this legislation?

Governor MILLER. I think if you would look at the history of the Santini-Burton Bill, which I am not suggesting is a mirror image of H.R. 3127, but rather a concept that was a positive one, the northern part of the State benefited perhaps disproportionately. This particular bill addresses the entire State. Any benefit in the northern part of the State, I think is a plus, and if there is criticism, which I have not heard, I would only suggest that without this bill, there will be no additional funds to acquire any sensitive land in northern Nevada; with it there is. We should not look a gift horse in the mouth. This legislation is designed to recognize that there is sensitive land in southern Nevada as well, and that is where most of the revenue and the actual land to be sold is from. So, I have not heard the criticism, and I do not agree with it if there is some. I think it is a good and balanced bill.

Mr. ENSIGN. OK. I was up in Lake Tahoe actually on Tuesday of this week and some of the things we talked about with the U.S. Forest Service up there, some of the funds actually that there is a potential for looking at in northern Nevada as well. Obviously pollution is a problem up there. Not only environmentally sensitive lands but the possibility of—they do not have the funds to remove some of the dead and dying trees up there. You know, the different beetle problems have been a very serious problem up there. I am not sure as this legislation goes through, if that is not something we also want to look at with this legislation in the Lake Tahoe area. I agree with Senator Bryan—actually, I grew up in Lake Tahoe, so I really have a special place for Lake Tahoe in my heart. Some of this money, I am not too sure, should not, you know, be used in some ways to improve the environment up there because it is a jewel for the State of Nevada. Lake Tahoe is absolutely critical. Maybe, Senator Bryan, you would want to comment on that as well.

Senator BRYAN. Thank you very much, Congressman Ensign. As you know in crafting this legislation, we were statewide in terms of our perspective. The 50 percent that is to be allocated for the acquisition of additional public recreational resources under the decision of the Secretary of Interior and the Secretary of Agriculture is explicitly made statewide. That is to say it is not regionally allocated. So a decision could be made to acquire a resource in the northern part of the State or the southern part of the State. I think that is reasonable. I too was in Lake Tahoe earlier this week and

met with the Tahoe Regional Planning Agency Capitol Improvement Committee and made that point clear. They are hard pressed for funds, as we all know. I think that they are looking for any additional resources that they can and I understand that. The beetle infestation problem that you referenced is pervasive in the basin. The product of the protracted drought that we have all experienced in the West, with the exception of the last couple of years, it was a seven-year period and the devastation is complete. But I do not think this legislation is the appropriate vehicle to address all of the operational expenditure problems.

This is designed primarily in terms of planning to retain recreational purposes, to acquire recreational purpose, to help to develop those. I think we have hit a pretty good balance on this, John. That is my sense. And as the Governor pointed out, you know, southern Nevadans—and I think can with some pride—say that the sales of the Santini-Burton Act, all of those proceeds went to acquire environmentally sensitive parcels in the basin. And I commend my friend, my fraternity brother, my classmate who working with the late Phil Burton put that together. But, I mean, I do not think anybody in southern Nevada should be defensive that this somehow is a sectional piece of legislation. It is statewide in scope. It is directed to help Commissioner Christensen and others of those who work at the local level, but it provides in the broadest sense an opportunity for us to acquire statewide additional recreational resources, whether they be in southern Nevada or in the northern part of the State. I think the balance has been hit there and if we are hitting some criticism on that, I pledge to work with you to dispel any of those.

Mr. ENSIGN. OK.

Commissioner Christensen, just briefly, could you describe the county zoning based on community districts for the benefit of the Committee?

Mr. CHRISTENSEN. Well, we have community district zoning we call CD1, 2 and 3. Actually, do you have the maps up there that show that? The purpose of that is to determine what area we feel is next for development rather than have hopscotch. The CD2 area is the area that is next for development because we already have water lines, sewer lines, fire stations, police stations and so forth to cover that area. And what we try and do is not extend zoning beyond that district line into the areas that are too far out that create a real burden on our infrastructure. If you would like me to, I have got some staff here that could explain that more fully to you, if you would like.

Mr. ENSIGN. No, I think that is fine. There have been some concerns raised in the Las Vegas Valley that obviously we do not have enough open green space youth recreational facilities such as little leagues or whatever. Furthermore, there is concern the cities of Clark County, Henderson, Las Vegas and North Las Vegas do not have an existing agreement on developing these types of areas. Can you address this problem and maybe expand on how this legislation could help coordinate that, developing the park areas and the little league areas and all that?

Mr. CHRISTENSEN. Well, number one, I am a little hesitant to use the term green areas because we are in a massive water conserva-

tion effort and we kind of shy away from green areas. Open areas, I will buy but green areas is a little tough for us because this is a desert. But this would enhance the ability for us to have trails and parks and enhance those areas on a community-wide basis not involving lines between governments or cities or counties or whatever. It would be a tremendous benefit because we would be able to determine which piece of land was going to be sold and which ones were not and which ones we could develop and which ones we could not and maintain the space between them and the space involved with them.

Mr. ENSIGN. Thank you, Mr. Chairman.

Mr. HANSEN. Thank you, Mr. Ensign.

Senator BRYAN. Mr. Chairman, might I respond very briefly to Commissioner Christensen's comment?

Mr. HANSEN. Go ahead.

Senator BRYAN. As Congressman Ensign well knows having worked on this, I think we do a pretty fair job of dealing with how local government is going to handle this. For example, we say of the 20 percent that shall be paid directly to Clark County, that contemplates an interlocal government agreement of the entities which you have just recited, the cities of Las Vegas, North Las Vegas and Henderson, for the express purpose of developing parks and trails. So that is an additional resource and planning tool that you will have at the local level. It is not something that Congressman Ensign, or I, or Senator Reid is dictating from Washington. You know what the needs are here. It contemplates an interlocal government agreement. I know that is very easy to accomplish these days, but nevertheless, I think we should give you the opportunity to do that.

Mr. CHRISTENSEN. Well, Congressman, if I may also add, we have—contrary to what you read in the papers and hear on the TV and so forth, we have many interlocal agreements that work and work well. The Southern Nevada Water Authority was put together including all agencies and it has been an extreme winner in a way to work together, the Regional Transportation Commission and some of those commissions. So, I do not feel there is any problem in working that out. That is why I say it will cross all boundaries and we can all participate in that.

Mr. HANSEN. Thank you.

The gentleman from Oregon, Mr. Cooley.

Mr. COOLEY. Thank you, Mr. Chairman.

Governor Miller, I am not sure I should ask you this question. Somebody might want to answer it. But being from the rural part of—

Governor MILLER. If you are not sure, I might want to leave.

[Laughter.]

Mr. COOLEY. Being from the rural part of the United States, the Second Congressional District of Oregon which is 73,000 square miles, almost as big as your State, we are very concerned about no net increase in public lands. Are you confident that we can hold that philosophy? I am very interested and I am very concerned that maybe 50 percent of that money might open the prospects of additional acquisitions of land by the Federal Government. I do not care about the States because I think you can run your State far

better than anybody else. But I am very concerned about giving that much money to the Secretary and having whoever might be sitting in that position to start buying back private lands.

Governor MILLER. I cannot predict what this or any other Secretary would do with additional funding. I think if there was a desire for mass land acquisition, they would probably have sufficient funds at present. So this really would not——

Mr. COOLEY. No, we have cut their funds and they are not doing that now.

Governor MILLER. Well, I just do not see this as being a vehicle they would use for that purpose. In Nevada, I do not think that further Federal land acquisition would be very well received. In fact, there is some general resistance to expansion of military lands even in the State of Nevada, especially in northern Nevada and Fallon Naval Air Station where they have tried to expand some of the bombing routes. That has been reviewed and somewhat criticized by local residents. So, at least in our State, I do not see that occurring. I cannot speak for what might occur anywhere else.

Mr. COOLEY. No, I am just talking about your State because some of these things are setting precedents.

Governor MILLER. They already own 87 percent, which is a similar percentage to what you indicated is true in Oregon. I provided this secretary and previous Secretaries with a Nevada license plate that says "landlord" on it. But that does not mean I want them to expand their interest of ownership. I think the State's predisposition would be to oppose any additional acquisitions by the Federal Government.

Mr. COOLEY. Would any other panelist like to comment on that?

Senator BRYAN. Representative Cooley, I think that what we have done here is we have tried to strike a responsive balance. If your concern is this a vehicle or a mechanism which has as its design the acquisition of additional Federal property to enhance the Federal Government's presence in the State of Nevada, I can assure you that is not its purpose. On the other hand, as we look to sensible land planning judgments, there are properties which are currently owned by the BLM that all of us would agree ought to be in private ownership. That was the genesis of the Santini-Burton bill. And because Las Vegas is rapidly growing, as you know, a million people now. I mean, the numbers are astounding. There are some additional.

On the other hand, I think all of us in a very bipartisan way recognize that there are some parcels that are presently in the private sector that would be highly desirable to be acquired by the public sector. The property than Congressman Ensign alluded to at Lake Tahoe, the so called Wytel Estate properties that the Thunderbird and the other piece are pieces of property that I think generally most Nevadans would agree would be highly desirable. Here in southern Nevada, a place where I know Commissioner Christensen—I am sure Congressman Ensign and Governor Miller had a chance to enjoy as youngsters, Deer Creek. That is an area that was about to be subdivided. It is in the Spring Mountain area. We all agree that ought to be acquired for the public. The private owner agreed to that premise and we did not have this vehicle here. That was the product of a land exchange.

So there is some balance. I think what this legislation allows us to do is to make those decisions more sensibly at the local level where the input from local citizens can be heard and that policy made more effective in terms of dealing with our local concerns. So, I do not think there is an intent here to try to expand unilaterally Federal acquisitions. But there are certainly some properties I think all of us in Nevada can agree we would like to have.

Mr. ENSIGN. Would the gentleman yield?

Mr. COOLEY. Yes.

Mr. ENSIGN. Mr. Cooley, in addressing some of these concerns, you look at what Senator Bryan was talking about up at Lake Tahoe. There are a couple of areas up there that are so pristine that the public, you know, truly enjoys that we absolutely want to protect in this State from development. There are other areas within the Las Vegas Valley we want to see privately developed and that is what he was alluding to. We feel very strongly in the State of Nevada that we do not want somebody from New York State telling us what to do here in the State of Nevada with our land. We want to make that decision on a local level because somebody from the State of New York—I do not know why I happened to mention that name or that State. But it—

Mr. COOLEY. It is far enough away.

Mr. ENSIGN. Yes. And we feel that we can make those decisions best on a local and a State level here. We know what the State needs; we know what our residents want and we feel that we can make those decisions in a much better way and that is the reason for this legislation and the way that this legislation was crafted.

Mr. COOLEY. Well, that was my concern and if that is what is going to happen—I just wanted a clarification. I did not have an opportunity to read the final draft of the bill and that is why I wanted clarification on it.

Thank you, gentlemen.

Mr. HANSEN. Thank you, Mr. Cooley. You brought up an interesting comment about people from other States telling you how to run your State. I cannot imagine what you are referring to. But anyway, let me point out that the State of Utah, a sister State to Nevada, very similar problems. Thirty-six years ago, I was a city waterman in the little town of Farmington, Utah. I went from there to the legislature, to the speaker of the house and I have been in Congress now 16 years. I guess in all that time—and I have been on this committee that entire time—water, public land issues have been a tremendous problem for us in the West. And I agree with you, John, I am somewhat concerned when someone from Ithaca, New York puts in bills that may have something to do with the State of Utah, Nevada or other areas.

I also represent the area of Washington County. In fact, I have represented every county in the State of Utah as we have reapportioned it two or three times since I have been there. And I can feel for your problem and I would say that I feel your pain but I think that line has already been used by somebody. But let me just say that I know you have water problems. I have been down here many, many times and talked to you many times about where we are going to get the water to take care of the growth of Clark County. We have talked to the central Arizona people about

the possibility of selling some of their water because we all know they cannot afford to put that water on the ground now at the cost that they are now paying for it.

Commissioner, I know how you feel about the desert tortoise and other things. We have the same thing. We are just finishing out the HCP in Washington County and even now, we are waiting for 51 more species that could be introduced from the slimy slug to the ringtailed rufus and everything else that someone comes in with.

One of my closest friends was somebody by the name of Scott Matheson, the former Democrat governor from the State of Utah. When I was speaker of the House, he was governor and we met on a very regular basis. I still remember Scott saying to me one day—he was just totally livid, and he said why in the h-e whatever are we letting these people come in and picking every little species that comes along and getting critical habitat which would later turn into endangered habitat? And if anything we did in the bill that I was originally referring to, it was because Scott Matheson, a great governor from the State of Utah, was totally bent out of shape by what was occurring in those areas.

Now with that said, let me just say this. Are we wasting our time or have you folks got enough horses to do this?

Senator BRYAN. Well, we are going to put our shoulder to the wheel. This is an important piece of legislation. It is a legislative priority for Senator Miller and——

Mr. HANSEN. If I may interrupt you, Senator? I really appreciated your comments about a bipartisan effect. That is the only way we are going to make this thing work. Forget the politics. Can we keep this on a bipartisan basis?

Senator BRYAN. Well, I think that is the genius of this legislation. I mean, that is our—that is the only way. You know, you do not have to have a degree from Oxford to understand that if this legislation is going to pass in a Congress in which the Republicans are the majority of both the House and the Senate, it has got to be bipartisan, and we fully understand that. That is why I commend my colleague, Congressman Ensign, for giving the imprimatur of bipartisanship to this legislation.

Mr. HANSEN. Do you have somebody going to come out of the woodwork at you on this one? Excuse me for being so base. I just want to know where we are going because we have passed more legislation out of this Committee than any Committee in Congress and we think we have got something all ready to go—well, for example, the Utah Wilderness Bill. We started it over in the Senate for this time. It feel on its face the other day. I have worked on that since I was speaker of the Utah House and I cannot believe the reactions and things that were said about it. I am just very conscious—I am sure you are, Governor or Senator—of being blind sided on something. How does it look to you?

Senator BRYAN. Well, let me just say that this bill obviously is going to have some opposition. Let us be candid and upfront. Not everybody will embrace the concept that we all I believe hear from the testimony and comments made acknowledge. There are some who would find fault with the basic concept of allowing, you know, local government the planning decisions which are embraced in this bill. There are some who would say look, those proceeds from

the sale all ought to go to the Federal Government, that they ought not be retained under the formula that we have devised here. So certainly there will be some criticism. What I will assure you, Mr. Chairman, is that I and my colleague will do everything we possibly can in the Senate to make sure that this bill moves forward. This is not just a token gesture. We have spent a lot of time—and that is why I took a little bit of your time, which I appreciate, to tell you how much effort has gone into this by a lot of people who spent a lot of hours on a consensus basis. You will not find a broader spectrum represented in developing this bill. You have the private sector, the folks who represent the development needs and requirements of our community. Those who represent the environmental concerns, the local government entities. All of them who are impacted by this, the State of Nevada under the Governor's leadership, as well as the public land entities at the Federal level. All of those were involved and we have a consensus piece of legislation. So, I think our chances are good, but this is not a walk in the park. I do not want to give you that impression. This is not going to be easy.

Mr. HANSEN. I do not think anything is anymore.

Senator BRYAN. You know and I know, and we all understand that the calendar of 1996 points to a quadrennial event that causes things to occur in Washington that do not occur in non-quadrennial event years, if you know what I have reference to.

Mr. HANSEN. I do. Let me point out also that I still remember the words of the Chairman, Mo Udall of the Resource Committee. Mo used to always say—a great guy. He used to say if the delegation, the governor, the State legislature, the county commissioners are almost unanimous behind something, he said, I am for it. I always appreciated that attitude of Mo because he in effect was saying what you folks have said and others have said, those of us in Nevada, Utah, wherever it may be, we feel that we understand and know what is best for our State. I assume from who is here today that is close to being accurate. Is that right, Governor? What about your legislature?

Governor MILLER. I would not be presumptuous enough to speak for the State legislature, but you have got the Mayors of all of—well, two of the three urban areas. I do not know if Mayor Jones is here or not. But certainly, I have not heard any opposition from the city. The State has been involved in the process since the beginning. You know, I think there is a unified public official support in this particular legislation but predicting it beyond that would mean predicting what the U.S. Congress is going to do. I will never make it as a sports better on that.

Mr. HANSEN. I just want to kind of solidify the position of the Resource Committee. If you feel that way and the folks in Nevada feel that way, we will feel that way. Even though that can blow up in your face as evidenced by the Utah Wilderness Bill just a couple of weeks ago. That is the gamble you take in this particular business. But for my friend, John, and others who I know feel strong about it, I am more than willing to go to the mat for you on the House side and, of course, I do not speak for your side, Senator, but I know you will handle it very well.

Senator BRYAN. Mr. Chairman, we appreciate that and I say that in a bipartisan sense. Obviously, this bill would have two chances, slim and none if you indicated your opposition to it. We are not unmindful of that. The fact that you are here today—and we understand that you are up every two years and there are a lot of constituents that would like to see you in Utah, but you are here at the request of our congressman. We appreciate that and we will work with you on this. I think we can do it but it is not going to be easy. It is going to be some heavy lifting. Frankly, I think we have got a tougher row to hoe in the Senate than we do in the House. I think with your leadership, we are going to get this bill out of the House.

Mr. HANSEN. Well thank you, Senator. We appreciate that. Let me just say that we realize there is a lot of pressing things on the agenda and we will try to move this bill as rapidly as we possibly can. I would like to have the opportunity some day—this is not germane to the issue we have in front of us to talk water, specifically water, on a few issues that have a lot to do with the people I represent and the people you folks have here. How we can work out something that is a win-win solution for all of us instead of going to the mat on a few minor differences that we may have.

Mr. ENSIGN. Mr. Chairman, if you would yield? I think I can speak for the State of Nevada that we would almost be unanimous in our willingness to work on water deals together and our willingness to want to solve our water problem here in Nevada.

Governor MILLER. If I could add, all the people that are most actively involved in the water acquisition and distribution in this valley are in the room right now. So you could have a caucus meeting right afterwards and you would have all the experts here, including the gentleman next to me. Our water authorities from the State and county level are all physically present.

Mr. HANSEN. My first AA, Ted Stewart, is now the Natural Resource Director in the State of Utah. That was back in the early 1980's. He is a very fine water attorney and understands a lot of those things. I understand he has been working some deals between Governor Leavitt and you folks. He called me the other day and felt he had to have a few pieces of legislation.

We have some other questions but in the interest of time, could we submit those? Commissioner, I have some for you. If you would not mind giving us a written response, would that be all right?

Mr. CHRISTENSEN. Sure. I would be happy to do that.

Mr. HANSEN. I appreciate it.

If the Committee has no further questions? Thank you so very much. We are honored to have you here at this time. We hope to work in a bipartisan way in harmony with you on this legislation. Thanks again.

Senator BRYAN. Thank you very much.

Mr. HANSEN. Thanks for your daughter coming, Governor. We appreciate her being here.

Our next panel—I understand the governor—excuse me, the Mayor of Las Vegas, Jan Laverty Jones, is she with us at this particular point?

[No response.]

Mr. HANSEN. If not, the Honorable Bob Groesbeck, Mayor of Henderson and the Honorable Jim Seastrand, the Mayor of the city of North Las Vegas. If they would please come up, we would appreciate it. And if Mayor Jones shows up, we will turn to her.

If I may ask you Mayors, in no way wanting to cut you off but realizing it is going to be a long day here, how much time do you need for your testimony?

Mr. GROESBECK. Well, Mr. Chairman, in light of—I am very familiar with the buzzer and the lights and I have made significant revisions to my comments and would ask that I be allowed to submit them—the full text as part of the record.

Mr. HANSEN. Without objection, the full text will be in and you wing it, ad lib it, anything you want to do. We try to limit you to five to ten minutes. Would ten minutes be adequate?

Mr. SEASTRAND. I need one minute.

[Laughter.]

Mr. HANSEN. A man after my own heart.

[Laughter.]

Mr. HANSEN. How do we get you elected to Congress?

[Laughter.]

Mr. HANSEN. With that in mind, Christina, we will start out, if they need more time, we will give it to them.

Mayor Groesbeck, we will start with you, sir. You will see the lights there. A green light means go, yellow light means wrap it up and the red light is just like you are going through a traffic light.

Mr. GROESBECK. Thank you, Mr. Chairman. I have been there before.

STATEMENT OF ROBERT A. GROESBECK, MAYOR, CITY OF HENDERSON

Mr. GROESBECK. Again, it is my pleasure to be here today and testify in support of H.R. 3127 as authored and introduced by Representative John Ensign, our able legislator from the First District.

The legislation and the hard work of the task force has certainly been a long time in the process. The task force process is an excellent example of the collaboration that can occur when Federal, State and local governments sit down at the table along with varied private interests to work out their problems. Representative Ensign and the other members of the delegation deserve credit for setting up this process and supporting it. Whatever recommendations are made in the course of this hearing or any others which you may have regarding this important legislation, the task force remains a viable mechanism for working out any concerns which may emerge. I urge you, Mr. Chairman, to recognize the creative process Mr. Ensign has adopted and encouraged and to use it as a model elsewhere.

As you know, Mr. Chairman, and as stated by Governor Miller, southern Nevada is the most rapidly growing metropolitan area in the nation. As you may not know however, the city of Henderson is the most rapidly growing large city in the nation as indicated by the United States Census Bureau. Our city has nearly doubled its population since the last census. Think for a minute about what that means. Again, we talked about statistics earlier and I will give you some briefly. It means that 350 housing units are built and

that the public schools enroll 170 new children each month in our city of approximately 120,000. It means that grocery stores, doctor and dentists offices, gas stations and convenience stores literally spring up overnight. I hope that while you are here you have an opportunity to tour our community, and southern Nevada for that matter, to experience firsthand our phenomenal growth.

All of this growth is occurring in a county where the Federal Government owns more land than makes up the entire State of New Jersey. Much like the great State of Oregon, Mr. Cooley, 87 percent of our State's land is controlled by the Federal Government. That is obviously very significant.

With regard to the public purpose provision of the bill, I would like to make several recommendations. First, the public purpose conveyance should go to the local government which will ultimately provide service to the land. For example, in Henderson, there are many examples of developments which occur outside the city's boundaries, but where the city is the only possible source of supplying necessary services, especially water and sewer. In this case, the legislation should provide that the public purpose lands go to the city, since it is the impacted jurisdiction.

Second, we support a provision which has been included in the Senate companion bill which provides for the conveyance of land under the public purpose provisions for affordable housing. With our rapid growth, escalating land and construction costs and the tremendous demand for entry level housing, we have a critical need to develop quality affordable housing. The use of public land for this purpose, even on a demonstration basis, would be of great benefit. And I would point out, Mr. Chairman, I had an occasion to speak with Assemblywoman Barbara Buckley this morning. She chairs the State's Legislative Committee on Housing. She indicated to me that her committee wholeheartedly endorses this aspect of the bill.

All in all, Mr. Chairman, I believe that H.R. 3127 is an excellent legislative effort worthy of your support and expeditious consideration. We commend it to you. We are also very willing to assist you, Congressman Ensign, or any member of your staff in any way that we can to advance this legislation in Congress.

Thank you for giving me the opportunity to testify before you this morning. I will be happy to field any questions that you may have.

Mr. HANSEN. Thank you, Mayor. I appreciate your testimony.

We will turn to Mayor Jim Seastrand.

[The prepared statement of Mayor Robert A. Groesbeck may be found at the end of hearing.]

STATEMENT OF JIM SEASTRAND, MAYOR, CITY OF NORTH LAS VEGAS

Mr. SEASTRAND. Thank you for inviting us, Honorable Committee.

I represent the city of North Las Vegas, which is at the northern end of the valley. We have during the past seven years been aggressively working with the Federal Government on moving public lands into local control and we have been successful in moving 1,100 acres. We are now looking at approximately 10,000 acres

which is in the northern part of this valley which is within and/or adjacent to our city. So that is the portion that we have great concern with. I agree with Mayor Groesbeck, the more we can get through the local entities to control this land, the better it will be for us and the more satisfactory to those who have to live here. I am here to support this. My one minute is almost up. We do urge for you to approve H.R. 3127.

Thank you on behalf of the citizens of North Las Vegas.

[The prepared statement of Mr. Jim Seastrand may be found at the end of hearing.]

Mr. HANSEN. Thank you, Mayor. We appreciate you being here. Representative Ensign.

Mr. ENSIGN. Thank you, Mr. Chairman.

I want to engage both of you in a discussion on the affordable housing aspects of the portion of Senator Bryan's bill. Assemblywoman Buckley called me this morning as well and our staff had some discussion with her about this particular proposal. I guess she has a section in her district that—that she has had success in the past with mobile home type parks and affordable housing in that regard. We know as we go forward as a valley and as property values continue to increase, affordable housing is certainly an issue that has to be dealt with. Part of the American dream is home ownership. Part of the American dream is, you know, that first entry level home that you can get into and not take 50 percent of your income, you know, paying for rent or paying for your home mortgage. So, it is something that I think that we certainly need to explore. I just wanted to get your thoughts on it, Mayor Seastrand and Mayor Groesbeck, maybe a little more in detail about this particular proposal.

Mr. GROESBECK. Again, with regard to this specific set-aside, I am not prepared to discuss that today. Conceptually however, I do endorse the concept, Congressman. As you indicated, in light of our growth, it is very important. In fact, it is crucial that we provide housing opportunities for those that need assistance in some respects. In my community, for instance, we have raw land now that you are lucky to acquire it for \$50,000 an acre. We have got land in some instances well over \$100,000 an acre. To acquire the property and to afford to move into a home with those types of land costs which continue to escalate daily, I think we all recognize is virtually impossible. I think it would be the prudent thing to do to incorporate some provisions, as indicated in the Senate version, into this bill to provide for those opportunities and to address those concerns now. I think we all recognize that it is a very legitimate and a very real problem.

Mr. ENSIGN. Mayor Seastrand, could you comment on the aspect of—affordable housing for seniors. You know, we have a lot of seniors continuing to move into this valley and the mobile home parks, as I mentioned before, is a place where a lot of seniors move and rent prices continue to go up every year. Could you just address the concepts. Obviously not the details of a particular provision but just the concepts of maybe doing something with this bill.

Mr. SEASTRAND. I speak only for myself. I am not speaking for our city council obviously. My own personal preference is that home ownership is the best. I would lean toward whatever could assist

people to own a home versus renting. I would much prefer to see a movement toward helping us keep this in private enterprise with affordable housing rather than governmental programs to put people into rentals.

Mr. HANSEN. Thank you, Mr. Ensign.

Mr. Cooley.

Mr. COOLEY. Thank you, Mr. Chairman.

Bob, have you had an opportunity to look at H.R. 3127?

Mr. GROESBECK. Yes, I have. I have not seen the latest draft. It is my understanding—

Mr. COOLEY. Is it any different from what—was originally here? Can anybody make a comment on that?

Mr. ENSIGN. We actually submitted it to everybody that was on—

Mr. GROESBECK. We have it.

Mr. ENSIGN. Yeah, you should have had the final draft at least a week ago. But it was not significantly different.

Mr. COOLEY. OK. Since you are going to have to live with this piece of legislation if we can get it through, and I have good feelings that we will probably be able to, would you like to see anything changed in this?

Mr. GROESBECK. Well, there are several areas of the bill that I would like to address that should be considered, and one has to do with the aviation provision with McCarran. We support that concept certainly in all respects. However, I would like to see some language incorporated with regard to Sky Harbor Airport. As you may know—Congressman Ensign is certainly aware—we have got a lot of land in that area that is under Federal domain at this time. It is anticipated that much of that will come into the private sector soon. We would like to see that set aside for the specific area, i.e., Sky Harbor Airport for improvements to that facility. That is one area that I would like to see changed. And again, you know, the sense of the bill or the purpose is to provide revenues back to the local entities and McCarran is going to operate and maintain that facility, in fact, owns it. I have every confidence that they will do a wonderful job with Sky Harbor Airport. But it would be nice to see those revenues specified or directed to that area.

Mr. COOLEY. But other than that, you are pretty well—

Mr. GROESBECK. I am satisfied.

Mr. COOLEY. Understanding the real world we live in that nothing is perfect, you are pretty happy with the legislation?

Mr. GROESBECK. Oh, I think it has been a very fair compromise. There are certain areas in my city that have been set aside. We talked about the zones earlier that I would have liked to have seen expanded. But again, I think it is a fair compromise, you know, with all the various groups that were at the table. Again, it is a negotiation process. I can certainly live with the final results.

Mr. COOLEY. Thank you.

Jim, I really appreciate your comment because I think you are probably a great Mayor that understands that private ownership builds respects for the community and participation in it. Ownership gives you pride where other things sometimes do not happen. You have had an opportunity to look at this legislation as well?

Mr. SEASTRAND. Yes.

Mr. COOLEY. What do you think about it? I mean, is there something in the area of the legislation that you might think you might want to change. Is there anything that is so far out it would be detrimental to you and not beneficial? Can you give me a general feeling?

Mr. SEASTRAND. Our feeling is generally supportive the way it is. We had some discussion regarding how this 20 percent could be allocated among the local governments. But we are content, if it is mandated from Congress, to be able to work together. That would be our goal, to be in harmony so we could come up with an interlocal agreement. We have done that in many things in our community. How to control flood; how to take care of transportation. So I have got confidence in the local officials and their intelligence and their cooperative spirit to be able to work it out. But we did debate whether we should ask Congress to let us have that individual local control. But we would support it as it is.

Mr. COOLEY. OK.

Thank you, Mr. Chairman. Those are my questions.

Mr. HANSEN. Thank you, Mr. Cooley.

It has been our experience on the Committee that BLM, the Forest Service, all of these other agencies of the Federal Government talk a pretty good fight when it comes to exchanging land for various purposes. They will get it done, they will get around to it. It is the most difficult task I think there is in America, to really bring about a land exchange of any kind. Basically, it always ends up we do by legislation. Someone says, oh, yes, it will be easy and we will start the ball rolling and somehow it just ends up in reams of paper and nobody gets around to it. I guess there is no profit motive there, so no one seems to want to get it done. But some poor little third class city has to set there and suffer while some BLM bureaucrat—I say that very respectfully—plays around with this thing and we do EISs and EAs and appraisal upon appraisal upon appraisal and we never get it done. So we have been holding hearings in this Committee time after time to say how can we streamline this act. Now, I know you have got a particular piece of legislation to do it in one fell swoop which we like. I want to just ask you Mayors, say you want to make a land exchange, what kind of support, what kind of cooperation are you getting from the BLM, for example?

Mr. SEASTRAND. I will go ahead and speak first. We have gone through, as I said some years ago, a 1,100 acre exchange and it was with the highest cooperation. It was handled very smoothly all the way through Washington and back. There was a check passed to me. I flew to Reno, that check passed to BLM and it was done very smoothly. Locally, and recently, we have found Mr. Sip and others have been very cooperative. I just do not have any complaints about them. I get a feeling from our BLM people that they have a sensitivity to what we need here in Nevada and in our local area. Now, I feel personally they are quite supportive of our goals.

Mr. HANSEN. I am shocked, but pleased.

Mr. ENSIGN. Mr. Chairman, will you yield?

Mr. HANSEN. That is the first case of all the horror stories we have had.

Mr. COOLEY. Mr. Chairman.

Mr. ENSIGN. I am telling you, I have had dealings also with the BLM and I know the horror stories that we have heard in Washington and it truly is here in southern Nevada a different kind of experience. In general, most of the people—you know, on a comparative process to what you see in other places, we do seem to have much more of a sensitivity toward some of these things. It does not mean that there are not a lot of problems associated with land exchanges. There still are and that is the reason—one of the reasons for this legislation. However, the local BLM people here have been much more responsive, I think, to the local needs.

Mr. HANSEN. You know, in my 16 years in Congress, we have carried a number of pieces of legislation—in effect, we said it cannot be done. They cannot get it done. Let us do it ourselves. We are working on one now in Utah on a Forest Service exchange for Snow Basin. That may not mean anything to you but Snow Basin happens to be the place where the downhill will be for the 2002 Winter Games that America finally got that they have been trying to get for years. And for 7 years, my staff, the Senators' staff, the Governor's staff have tried to get a minor, minor exchange through. So finally, we are doing that one by legislation. I am glad to hear that, Mayor. That probably almost gave me chest pains to hear that.

[Laughter.]

Mr. HANSEN. Let me congratulate the BLM in this area. I am going to send them a letter of congratulations because this is the first time in my 16 years I have ever heard anyone say that. Thank you.

Do you want to say something on that?

Mr. COOLEY. Yes. Could you—when they start to rotate, could you rotate some of them to Oregon for us?

[Laughter.]

Mr. COOLEY. Because prior to my serving in Congress, I was a State Senator and before that I was in the Farm Bureau. But anyhow, we just do not find this kind of cooperation. It is very nice to hear this. Hopefully when the rotation comes around, we can get some of them up north and get some of these problems solved.

Thank you very much.

Mr. ENSIGN. I have been telling all you guys how much better we do things here in the State of Nevada. Now maybe you will start believing us.

Mr. HANSEN. It cannot be the water. You do not have enough of it.

[Laughter.]

Mr. HANSEN. Anyway, it is great to see the unanimity we have seen so far on this particular piece of legislation. I agree with both of my colleagues here, if you see something in the bill that gives you heartburn along the way, let us know, because it is the guy on the ground, it is the Mayor. I sat in your seat for a few years. I know what that is like. You are the ones that have to make this thing work. I think it is a well thought out piece of legislation. I think the idea is an excellent idea. It should be good for Nevada, so we support it until we hear something that tells us not to.

Mr. GROESBECK. Mr. Chairman.

Mr. HANSEN. Go ahead.

Mr. GROESBECK. I do want to again emphasize that we are united. This is certainly a nonpartisan effort and it is something that is very important for southern Nevada and it is something that we will continue to work for and we appreciate your consideration.

Mr. HANSEN. Well, Mayor, you have got to realize that a lot of folks in the East do not even comprehend what we go through in these public land States, nor do they understand the need of water. You see, the Lord gives them water. It just falls out of the sky.

[Laughter.]

Mr. HANSEN. When we talk about irrigation things, we talk about other areas, they do not have any comprehension. You get that holstein cow look when you try to explain it to them.

[Laughter.]

Mr. HANSEN. You know, they just do not quite comprehend what we are talking about. And it really gets to me when we have to deal with those guys who do not seem to understand the problems that we go through here in the West where we are very arid, where our evaporation exceeds the precipitation and we have to think of ways to take care of that. So it is a big problem for all of us who live in these areas.

Let me thank both of you for being with us today. Again, we would like to be able to send you questions if we have them and hope you could respond. Thank you so very much.

Our third panel is Patricia Mulroy, General Manager, Southern Nevada Water Authority; Mr. Robert N. Broadbent, Director of Aviation, Las Vegas McCarran International Airport and Dr. Brian Cram, Superintendent of the Clark County School District, Las Vegas, Nevada. If they would please come forward, I would appreciate it.

Does anybody here need over five minutes?

[No response.]

Mr. HANSEN. OK. The rules are just like the traffic light you go through every day. Patricia, thank you for being with us and we will turn the time to you.

STATEMENT OF PATRICIA MULROY, GENERAL MANAGER, SOUTHERN NEVADA WATER AUTHORITY

Ms. MULROY. Thank you, Mr. Chairman.

Representative Ensign and other members of the Committee, my name is Pat Mulroy and I am the General Manager of the Southern Nevada Water Authority. The Authority is the unit of local government which represents all water purveyors in southern Nevada. We operate the water system here in the Las Vegas Valley supplying over 387,000 acre feet of water to the residents and tourists alike.

As many of you have probably heard, we have significant water challenges here in southern Nevada. I want to thank you for holding this hearing and I want to thank Representative Ensign and Senators Bryan and Reid for their leadership in bringing together the various interests in the community to develop the southern Nevada Public Lands Management Act of 1996. This bill will provide us with the tools necessary to cope with the significant growth which is resulting in part from the land disposal policies of the

Federal Government releasing over 17,000 acres of land to developers.

Starting in the late 1980's, growth in Las Vegas caused our water deliveries to take a dramatic jump. This growth has continued with no time for us to pause to catch our breath. Because Nevada received only 300,000 acre feet of water entitlement from the 15 million acre feet divided among seven States which share the Colorado River, we are constantly looking for new supplies to help us meet our long term projections. Several years ago, we were forced to impose a moratorium on water commitments simply because we did not have water supplies with which to back them.

Through five years of creative water management and new water conservation efforts, we have added 125,000 acre feet of permanent water supplies for use. When this new water is fully committed, which we expect to happen roughly in just over 10 years, Nevada will begin to use temporary excess water that is available in the lower Colorado River system. This excess water is Arizona's water entitlement which it is not putting to use currently. California is already using Arizona's excess system water to maintain its deliveries. According to river modeling done in the three lower basin States and by the Bureau of Reclamation, this temporary excess water will remain available until 2025. For the present, the moratorium has been lifted and we now have sufficient permanent and temporary water supplies to meet our growth needs for approximately the next 30 years. Water supply however is not our most pressing problem.

The capacity of our present water delivery system represents a far greater concern to the water managers in southern Nevada. The system was constructed in the 1960's and 1970's by the Bureau of Reclamation and was sized for a maximum delivery of water from Lake Mead of roughly 380 million gallons a day. For the past two summers, we have watched nervously as the peak deliveries reached our system's capacity. This summer will be the true test of our ability to manage the system so that everyone receives the water they need and expect to receive.

Recognizing this system problem, the Authority's agencies embarked on a crash plan to augment the treatment and delivery capacity of the existing system by 100,000 gallons per day and to design and construct a new parallel system to deliver future water supplies from Lake Mead to the growing areas within the valley. The total cost of this capital program will exceed \$1.7 billion. The project will be constructed in phases to avoid rate shock. \$1.7 billion is however a large commitment for a community of just over a million people. We analyzed whether we should follow the examples of the Central Utah Project, the Central Arizona Project or California's Central Valley Project and go to Congress and ask for 75 percent Federal cost sharing to help us build our water project. We have recognized however that there is no money any more in Washington and we are resolved to build the system without Federal assistance. Therefore, we have raised water connection charges this last December by 400 percent and water rates by 25 percent just to pay for the initial construction phase of our project.

We believe that we have been justified in asking for Federal assistance because the Federal Government is the single largest land-

owner who will benefit from increased land values resulting from the provision of water to these desert tracts. In addition, as we sat down to design our new water system, we found that we were faced with an engineering problem.

This bill that is before you is similar to the Santini-Burton bill. It is predicated on those two models and I cannot stress to this Committee how much—how important it is that these water facilities be put in and they be put in on time and what a burden a \$1.7 billion capital program on just over a million people is.

Mr. HANSEN. Thank you very much.

It is always good to see Bob Broadbent. We kind of served a little together in the—back in the early 1980's and it is nice to see you again.

[The prepared statement of Ms. Patricia Mulroy may be found at the end of hearing.]

STATEMENT OF ROBERT BROADBENT, DIRECTOR OF CLARK COUNTY AVIATION, LAS VEGAS MCCARRAN INTERNATIONAL AIRPORT

Mr. BROADBENT. It is good to be here, Mr. Chairman, and Members of the Committee. It is good to be here with Representative Ensign and the job he is doing in the First District. Some of us who were born in rural Nevada recognize what Representative Cooley is going through in part of rural Oregon. We applaud the work that he is doing.

I would like to thank you for the opportunity to testify in support of H.R. 3127. The enactment of this bill is of great importance to the future growth of the community of Las Vegas. McCarran International Airport is the eighth busiest airport in the United States and it is the fastest growing airport anywhere. In February, we grew an astounding 14 percent over last year's numbers. McCarran is the heart of our tourism economy, pumping approximately 14 million tourists into southern Nevada yearly. Over half of all the visitors to Las Vegas come by air. This legislation is critically important to protecting our arrival and departure airspace so we can continue to meet the growing needs of our tourism based economy.

Clark County Department of Aviation, as owner of McCarran International Airport, is required to comply with grand assurances which maintain compatible land use. The Federal Government does not want to provide financial assistance to an airport that does nothing to protect the public investment by failing to enact zoning and other preventive airport noise mitigation measures in high noise areas.

To make things even worse for airport proprietors, the Airport Noise and Capacity Act of 1990 took away an airport's right to enact any type of operational restrictions on large aircraft. The only control an airport has left is to utilize land use to control measures to try to maintain compatibility.

In 1979, as part of the Airport Safety and Noise Abatement Act, Congress authorized a program for conducting noise compatibility studies. These studies are commonly referred to as Part 150 Studies. The Part 150 Study consists of two products, a noise exposure map depicting equal areas of noise exposure for specific levels of

aircraft noise and a document containing plans for how to abate and mitigate aircraft noise at a subject airport.

What is compatible land use for an airport? According to the guidelines in Federal Aviation Regulation Part 150, the answer to this question is more easily expressed in terms of what is not a compatible land use. Essentially, non-compatible land uses include any residential land use, schools, churches and hospitals. Most other land uses, commercial and industrial, are compatible. A newly promulgated policy by FAA has put much more pressure on airports to maintain compatibility. If an airport wants to receive funds or use other funds given to us through passenger facility charges to buy land in noise impacted areas, it needs to have adequate land use protection in place for existing land.

During the 1980's, the Bureau of Land Management, which owns most of the land to the west of the airport departure runways, allowed for the disposal of several parcels of land with noise—within the noise impact area. There are repeated efforts to dispose of land in the area through land exchanges with developers who want to exchange environmentally sensitive lands in other parts of Nevada and the country for land in Las Vegas Valley. This has resulted in a planning nightmare for local BLM officials, and it has also jeopardized Clark County's land use compatibility plans for McCarran Airport.

In response to this problem, the Department of Aviation and the Bureau of Land Management negotiated a cooperative management agreement in 1991. Since a great deal of Federal land underlies the primary departure flight tracks for McCarran Airport, and since much of the private land is intermixed with public lands, the opportunity for some innovative compatible land use planning exists.

The bill being considered today reflects a new agreement reached between the airport and the Bureau of Land Management with respect to CMA—with respect to Cooperative Management Lands. The bill transfers the land to the airport. We will manage the lands in conformity with the agreement and FAA regulations on land use compatibility. Because most of the land is located within the original boundaries of the Santini-Burton, the county agrees that if any development is allowed to occur on these lands that is compatible with airport noise, 85 percent of the proceeds will be given to the Federal Government for the acquisition of environmentally sensitive lands in the Tahoe Basin pursuant to the original terms of the Santini-Burton Land Act.

In conclusion, the combination of Federal mandates and the nascent growth in the area south and west of McCarran International Airport has resulted in the Cooperative Management Agreement. Before the Cooperative Management Agreement was enacted, growth in the area occurred in a leapfrog fashion. The Cooperative Management Agreement has given local planners and administrators a tool to somewhat control this haphazard growth and maintain airport land as compatible use. It has also given the BLM additional indirect resources to manage the Federal land in Clark County. H.R. 3127 will complete the partnership between the Federal and local governments allowing each of us to perform our functions for the good of the public. We will manage the lands in a

manner compatible with airport noise and allow development when consistent with this policy. The BLM will continue to receive the same financial benefit it receives under Santini-Burton for the Tahoe acquisition with any expenses—without any expenses associating with the management of lands.

Mr. Chairman, again, thank you for the opportunity to be here.

Mr. HANSEN. Thank you, Mr. Broadbent.

Dr. Cram.

STATEMENT OF DR. BRIAN CRAM, SUPERINTENDENT, CLARK COUNTY SCHOOL DISTRICT, LAS VEGAS, NEVADA

Mr. CRAM. Chairman Hansen, Representative Cooley, thanks for taking your time to come and help us here today. Representative Ensign, thanks for being a friend to education.

I represent the interest of nearly 170,000 public school students here in Clark County and 180 schools located throughout more than 8,000 square miles. My comments—I am sure you will be pleased to note—are shorter than I am today.

I appear before you today in support of H.R. 3127, the Southern Nevada Public Education—Lands Act—excuse me, Freudian slip. This important legislation represents a vehicle by which the Clark County School District can better cope with the realities associated with student enrollment growth. We grow about 800 students a month. Stated another way, we need one new elementary school every month or one new classroom every day in order to cope with our growing student population.

As you will recall, the district acquires land under the Recreation and Public Purposes Act. H.R. 3127 would allow the school district to exchange this Federal land for private land found to be more suitable for use by our institutions. The orderly exchange of land afforded by this bill is considered a most desirable feature and represents a valuable partnership between the Federal Government and local governments to meet the pressing needs of our students. In addition, the bill continues the provisions found in Burton-Santini by providing five percent of the proceeds of BLM land sale for use in educational programs. In a State where revenue sources to support education are limited yet growth is substantial, the several million dollars benefit received to the Distributive School Account from Burton-Santini has materially contributed to the improvement of education in the State of Nevada. This legislation represents a model of productive partnership that can exist between local, State, and Federal Governments ensuring that our 170,000 students will directly experience benefits from its enactment; for the future really resides in the success of our students today.

I would like to say in closing that I am disappointed to hear all the parties that compliment the Bureau of Land Management. We really thought we were the sole provider and the sole person receiving such great treatment. I would like to echo what others have said, we have found them to be very cooperative. Were they not handicapped by limited staff, they would be even quicker in response and we have nothing but good to say about them. They have, in fact, provided the mechanism by which we can try to house our thousands of students who arrive here every year.

I join in supporting my fellow government officials in supporting this, and I thank you for allowing me to testify today. We consider it a great privilege. We think in this whole thing that someone will keep in mind that this land helps provide a place for kids to learn, which helps guarantee our democratic system.

Thank you very much.

Mr. HANSEN. Thank you, I appreciate your testimony.

Mr. ENSIGN.

Mr. ENSIGN. Thank you, Mr. Chairman.

I just want to take some pride in the people that are before us today, these are three very much of our community leaders and really show the talent that we have here in southern Nevada in running the various agencies that you do run, and we appreciate you being here today.

Pat, I just want to address a question to you, to talk a little bit more about this water issue because it is such a huge issue in the future—presently and in the future, the \$1.7 billion that we are talking about.

Some people at the National level will probably object to the money coming back here to help pay for this. It is probably the biggest obstacle that we have to convince people of why we should—some of this money should go to help pay for some of this infrastructure. Could you just address—and I do not know if you have figures, but at least try to address how much more it costs you to go buy blank pieces of property that, you know, currently do not contribute anything other than extra costs?

Ms. MULROY. Yes, I can give you those numbers, and I can also give you an example of a land release through a land exchange and the impact that has on my agency.

There is a parcel of land, about 9,700 acres, that is to the west and to the north of the core of the city of Las Vegas that was released sometime ago and developed. That 9,700 acres represented a cost that would not have been incurred if the same amount of growth would have occurred more in the core of our system. In other words, parcels that were already privately owned and were within proximity to our pipes and facilities would have absorbed that growth in lieu of a large land exchange in the northwest. We incurred \$136 million in costs that we would not have incurred had that growth gone somewhere else. That represents \$14,000 per acre of cost that would have gone unincurred had the land exchange and the freeing up of the Federal land not happened. And while we are incurring those costs, at the same time, we have to buy the property that we use for pump stations and for reservoirs and for well sites. In fact, at one point, it took us five years to get the environmental clearances for a critically needed well site here in the Las Vegas Valley from the then BLM.

Mr. ENSIGN. Thank you for your comments on that. I think that demonstrates—and is one of the reasons we wanted to have this field hearing with the experts from this area to try to impress upon this Committee the importance of this legislation because this concept, you know—and I hate to refer back to the State of New York, but people from the State of New York have no concept of what it is to have a checkerboard basically pattern in our city where it costs so much more to provide infrastructure, because this infra-

structure is just one part of the infrastructure. You have power lines, you have roads that go by and the sewer and the water, everything costs the local taxpayer here a tremendous amount of money to provide, that the Federal land does not provide back. And that is—I think the point of this legislation, we will not get back the full value of what we have provided in infrastructure for these lands, but what we are trying to do is recognize that these lands would basically be worthless. If you think about these lands themselves, if it was not for the infrastructure, these lands are basically worthless. Why would anybody want this land? You know, in the middle of Nevada, as a matter of fact you can drive from here to Reno, it looks mostly the same all the way going up, at least the first half of the trip looks pretty much the same going up there. That land is basically worthless and we are recognizing in this legislation, that the value of the land, is imputed because of some of the things that we are doing, especially with the water district and why we want that money to go back to the local communities to help pay for it.

So I thank you for being here.

Dr. Cram, just real quickly on education here in southern Nevada with the growth, it is difficult obviously. We had a bond issue that did not pass the last time, and we appreciate you being here and supporting this bill because education is so critical to the future of our State. But I also think that is a National Resource. Our children are a National Resource, and people that are concerned about this money coming back into the—you know, this is public lands they look at. Well, these are also public children that we are looking at here and the money is going to come back to not only improving the State of Nevada but these children will also live in other parts of the country and this is a valuable National Resource that we have to recognize. So I thank you for being here as well.

Mr. HANSEN. Thank you.

Mr. Cooley.

Mr. COOLEY. Thank you, Mr. Chairman.

This kind of reminds me something Mark Twain once said about whiskey is for drinking and water is for fighting. Could you tell me something, Patricia? In my part of the country, water is so valuable to the value of the land, basically land without water can be worth \$50 an acre; with water it can be worth \$3,000 plus, going up.

What happens here in Nevada? Can you give me a general idea. When you take land, as Congressman Ensign referred to, and make water available to it, what happens to the value base which brings money to the schools and helps everybody?—What happens there normally?

Ms. MULROY. What normally happens is if you take a parcel of land that is out in the middle of nowhere, where there are no facilities provided, the cost per acre is in the hundreds per acre. If you take that same parcel and you put an urban water supply system to it, in this valley, those parcels sell for \$100,000 to \$150,000 per acre up. There is a huge difference in the value of that land. And that value is provided at a huge cost.

See, we were fortunate here in southern Nevada with the earlier parts when Santini-Burton was put through Congress and earlier legislation was introduced on this same topic of land exchanges. We

were in the process of building the second stage of the Southern Nevada Water System, but it was being built with Federal funds. It was being funded along similar lines as the Central Arizona Project and the Central Utah Project. That is not the case in this instance. We know that the reality in Washington has changed and therefore we cannot make that same request again. So we did not ask for additional Federal funds because the Federal Government was already providing for that value added through funding of those facilities.

Mr. COOLEY. Mr. Cram, as an educator, it must be very difficult to try to contemplate what you are going to do with 800 new students per day. How many new schools are you planning to build based on the growth that you are going to see here?

Dr. CRAM. We have about 800 a month, we get about 10,000 a year. We have been building schools at the rate of somewhere between 10 and 18 a year. We simply are not keeping up. I guess my analogy is it is like being chased by a very large bear through a very narrow tunnel.

[Laughter.]

Dr. CRAM. The growth simply is not—

Mr. COOLEY. Is it at all grade levels, or do you have a larger growth at certain levels?

Dr. CRAM. It is all grade levels, although our smaller grades are much larger rolling up through the system. So we have internal growth as well as external growth. So we build schools as quickly as we can. We have gotten about half of our land inventory from the Bureau of Land Management. This bill, if you will, permits us to trade land with private developers, and I can give you an exact example. At the west end of Sahara Avenue, we have a 20-acre site for a junior high. Part of that site has a big gully running down it. We have an offer from a private person to trade us some land on the other side. This will now be permitted under this. So one of our major problems is the price of land and the construction of schools that have to be funded by bond issues. I am the eternal bond poster boy. We are out about every two or three years for new bonds simply because we grow so rapidly.

Mr. COOLEY. So this five percent will really give you a shot in the arm.

Dr. CRAM. It helps us with our Distributive School Fund, our funding is very modest. We rank about 15th from the bottom in educational funding and we have very challenging students, so this does make a difference to us.

I simply would say I guess in the generic sense that if we are really worried about the future, it will be our young people today that fuel all these retirement systems and all the things that we have to have. With a shrinking work force that has gone from 18 to 1 in 1955 to 3 to 1 today, it is crucial that the work force be very, very good or else we will not have an economy.

Mr. COOLEY. I agree.

Robert, on your airport—in my district, I have a lot of airports. As you know, every little town tries to have an airport. Are you getting cooperation from the FAA as far as your expansion since there are some restrictions, you know, if they provide you funds, they have control of your land.

Mr. BROADBENT. Part of the testimony I took out says that in the last 10 years, we have received \$200 million for our airports. We actually have five airports. The one the Mayor was talking about is taken care of in this bill, when he talked about the ability to get that BLM land. We actually have that BLM land under lease and have applications for another full section that he is concerned about. But as a short answer, yes, we have a lot of cooperations from FAA. FAA has the same restrictions as Interior does. For instance, the ticket tax is what gives us the most of the money and that has not been reauthorized yet since the first of January and so—but we are a big airport, so we get a lot of attention.

Mr. COOLEY. If we can get a guy to sign one of those bills, you will get your money.

Mr. BROADBENT. Pardon?

Mr. COOLEY. I said if we can get that fellow to sign that bill, you will get that money.

Mr. BROADBENT. Well, we do very well. But we also generate a lot of our money ourselves. We are fortunate enough to have things like slot machines in our airport, a few things like that do help us with our own capital. We try to—but we are so rapidly growing, we are like the school district, you know, we have 10,000 more people through our airport today than we did yesterday—I mean last year.

Mr. COOLEY. You mean you make money on slot machines?

Mr. BROADBENT. You bet.

[Laughter.]

Mr. BROADBENT. We are on the right end of it.

[Laughter.]

Mr. COOLEY. Thank you, Mr. Chairman.

Mr. HANSEN. Thank you.

Pat, if I may ask you, the growth that you have and the need for water, if one of these developments goes in, what does it cost a person for hook up?

Ms. MULROY. Well, prior to December, the cost for a single family house was \$840. It will ratchet up every several months now until it reaches about \$3,400.

Mr. HANSEN. \$3,400 for a single family dwelling.

Ms. MULROY. House.

Mr. HANSEN. Does that include a trailer?

Ms. MULROY. Yes, anything with a 5/8 inch meter.

Mr. HANSEN. \$3,400.

Mr. COOLEY. Mr. Chairman.

Ms. MULROY. Yes, sir.

Mr. HANSEN. Are you the winner in the world then?

Ms. MULROY. No, there are more expensive areas.

Mr. COOLEY. Mr. Chairman, would you yield for a moment?

Mr. HANSEN. Yes.

Mr. COOLEY. In Redmand, Oregon, it costs \$4,500 to hook up. It does not make any difference, house, trailer, whatever.

Ms. MULROY. It goes up for larger meters. So that is the increment and it goes way up from there.

Mr. COOLEY. It does not make any difference what size the meter, it is \$4,500 to hook up.

Ms. MULROY. Oh. No, here a hotel, under the new bill, will pay close to a million dollars to hook in. They are right up there in the \$800,000-\$900,000 range now.

Mr. HANSEN. You know, if this bill goes through, it will change dramatically the payment in lieu of taxes which I do not think, if I look at it, that Clark County really pays much attention to anyway, because I would assume it would be pretty low. We changed the payment in lieu of taxes formula last year, myself and a gentleman from Montana, and it has not amounted to much, but I had never heard it, in all the times I have been down here, I have never heard it stated, anyone even comment on payment in lieu of taxes. Does that help you folks at all? I would assume it would not be an issue with you here.

Mr. BROADBENT. No, I think the revenue is about a million dollars for Clark County, that is the maximum and that is what it has historically been. Nobody here—I think it went up a little bit last year in the appropriation bill, but even with this bill taking some of this Federal land and putting it in private ownership, it will not change it much.

Mr. HANSEN. And I guess impact fees would not—well, it would not change that because you are not going to mess with any military ground in this bill, are you? So impact fees, we would not be looking at in this particular instance.

How much improvement are you doing out at that airport? When you talk about the growth of it—what is the elevation here, may I ask?

Mr. BROADBENT. 2,500 feet.

Mr. HANSEN. What is your longest runway?

Mr. BROADBENT. 14,600 feet.

Mr. HANSEN. Wow, you could put the space shuttle down on that.

Mr. BROADBENT. We just about could. Not in the summer time. We could not take it off, but we could land it.

Mr. HANSEN. Yeah. Do you have much in general aviation here?

Mr. BROADBENT. We have a lot of general aviation. The airport that Mayor Groesbeck was commenting about is our airport too, and it has 100,000 operations a year. The one in Mayor Seastrand's, in North Las Vegas that we operate will have close to 300,000 operations this year, which is more than Reno-Tahoe, about as much as Salt Lake has.

Mr. HANSEN. Do you do much in the way of operators here that take tourists over things like the Grand Canyon, Lake Mead?

Mr. BROADBENT. Eighty percent of the people that go over the Grand Canyon come from Las Vegas.

Mr. HANSEN. This Committee is constantly faced with the issue of who should have jurisdiction of the airspace.

Mr. BROADBENT. Keep the airspace under FAA.

Mr. HANSEN. That has been the position of this Committee, but as you know, when the Committee was chaired by a different political hat, it was the other way around.

Mr. BROADBENT. There is a lot of effort to be made to give control over the airspace of all National parks to the Interior Department and I think that would be a terrible mistake for aviation.

Mr. HANSEN. Well, I do too, I think it would be a horrible mistake. And as an old pilot myself, I would be very concerned about

the idea of turning that over. But as you may recall, when you were in Interior, there was a number of bills put in to give it to the Park Service and also one lady from California suggested that no aircraft could even fly over a National park at any elevation. Can you imagine the boondoggle that would create?

Mr. BROADBENT. There are statements like that being made by organizations today.

Mr. HANSEN. We had a man that was going to sue the Park Service and the FAA recently because he saw a condensation trail when he was hiking through the Grand Canyon. I could hardly believe what I was hearing.

Mr. BROADBENT. Yeah. We are very active in that Grand Canyon area and have been with Congressman Ensign and with the rest of our Congressional delegation. We have half a million tourists go from Las Vegas to the Grand Canyon every year.

Mr. HANSEN. What do you think about the legislation regarding not going below the rim of the Canyon?

Mr. BROADBENT. I do not think that they have to go below the rim of the Canyon except to go in there for certain purposes like safety or something like that.

Mr. HANSEN. The law allows for that.

Mr. BROADBENT. But I do not think you have to go below the rim, but there are a lot of—in fact right now you have to stay 2,000 feet above the rim or something like that. There are a lot of efforts being made to take you up to 10,000 or 15,000 and I think that would be a mistake.

Mr. HANSEN. And there are a lot of efforts to stop any of that fly over business into any of our National parks. You know, three parks charge for it at this particular time. I think that would be a mistake, because I would really worry about the people who are not able to see the park in any other way except by—people who are sick, old, maimed, handicapped. Why should we limit those folks that opportunity? But there is—I know this is probably not germane to the issue in front of us, but there is a great effort to do that, which would have a bearing on the work that you do.

Mr. BROADBENT. Sure, sure. We are working very close with that Committee and trying to make sure that—there are probably five or six major parks off of the ends of major runways. Kennedy, for instance, and us, and you know, there are just all kinds of major parks off the ends of runways. That is a good place to put them.

Mr. HANSEN. Besides the Grand Canyon, what do your people look at around here?

Mr. BROADBENT. Zion, Bryce—Zion and Bryce, we are active in Zion and Bryce. Of course, Death Valley and then the tour of Lake Mead and over Hoover Dam, there are a lot of flights there. And there is some concern about the flight tracks over Lake Mead.

Mr. HANSEN. Well, thank you for your testimony. I appreciate the testimony of this panel, it has been very good.

Again, we would like to ask you, if we have written questions, if you would give those to us, we would appreciate it.

Thank you very much and we will call upon our last panel. Lois Sagel, Environmentalist from Las Vegas, Nevada; Mr. Robert E. Lewis, President, Lewis Homes, Las Vegas, Nevada and Mr. Jeff Van Ee, Environmentalist from Las Vegas, Nevada.

Five minutes give you folks adequate time to give your testimony? OK, I guess you have heard the rules and we will play by the clock then. Ms. Sagel, I will turn to you then.

STATEMENT OF LOIS SAGEL, ENVIRONMENTALIST

Ms. SAGEL. Thank you, Mr. Chairman. My name is Lois Sagel, I am a 39 year resident of Nevada. My late husband and I have raised three children in this valley and I am now able to enjoy all eight of my grandchildren here.

I have been actively involved in public land issues throughout Nevada, and I have learned that with common good sense and with honorable people, compromise can be reached that will allow for growth at a rate that is sustainable without compromising the health of the planet that supports all of us.

I am very grateful to our Nevada delegation for bringing together the diverse membership of the Southern Nevada Public Lands Task Force. I was proud to sit on that task force as a representative for the public. Our months of meetings produced an excellent build-out map for the Las Vegas Valley that allows for growth and still preserves a perimeter of open space—you will notice I did not say green space—that provides for public access to the mountains and for multiple recreational use. We can do little to create those open spaces within the densely populated core of our valley and it is not feasible to expect the planned communities on the perimeter of the valley to open their gates to the public at large. However, it is vital that we preserve, at a minimum, the grand desert vistas to our unique mountains and provide the opportunity for locals and visitors alike to walk, bike, run or otherwise circumnavigate the entire valley.

H.R. 3127 can make that opportunity a reality. But with the 4,000 plus new residents each month, our window of opportunity grows smaller by the day. I urge swift passage of this bill with a few modifications in Section B which deals with disposition of the proceeds.

This bill establishes a precedent by allocating a portion of the money received for the disposal of public lands back to State and local governments. I do not think that this is a bad precedent, but I do feel that the allocation of 25 percent of those funds to just one entity, the Water Authority, is unsound for a number of reasons:

1. This money is received from the sale of public lands and it should be used for the purchase of other lands deemed environmentally sensitive which benefit all of the public.

2. Water is and will always continue to be a major problem throughout our arid southwest. That is an obvious. But just as obvious should be the realization that just bringing the water to the valley is only a part of what makes this a growing, healthy community. Sanitation and other infrastructure needs are just as vital.

The sale of Federal land to fund a local water system is unwise and unprecedented. The Water Authority is looking at many other options that are viable, including taxes and fees, which will help to fund this expansion.

3. Land planners gauge community park service as acres of park space per 1,000 residents. The National Parks and Recreation Association recommends that the average American city have ten

acres of parks for every 1,000 residents. In the Las Vegas Valley, that figure ranges between one and 3.3 acres per 1,000 residents. Our local governments are scrambling to provide a safe place for families and a place for children to play.

Look also at the severe impacts that are being felt in the Spring Mountains National Recreation Area, at Red Rock and at Lake Mead. Not only from the increased visitation, but from gangs, drugs, graffiti, shootings and other of our urban problems. There is no way that our Federal land managers can hope to fulfill the mandates with which they are charged. Our valley is feeling the impact from the loss of public lands and the money from the sale of those public lands should be used to help mitigate those impacts.

In conclusion, I applaud your decision to hold these local field hearings. I urge the passage of H.R. 3127 with an amendment in Section 4 that would reflect that the Southern Nevada Water Authority allocation be rewritten to incorporate the full infrastructure, including sanitation. And more importantly, please help to increase the allocation for more open space, parks and trails. This would help provide the quality of life for our residents and for the more than one million plus annual visitors. It will help provide developers with a defined growth map while still preserving the qualities that draw the people to our valley.

Thank you again for the opportunity to represent the public before you.

Mr. HANSEN. Thank you very much.

Mr. Lewis.

[The Letter submitted in the prepared statement of Ms. Lois Sagel may be found at the end of the hearing.]

STATEMENT OF ROBERT E. LEWIS, PRESIDENT, LEWIS HOMES

Mr. LEWIS. My name is Robert Lewis. My company, Lewis Homes, has been active in real estate development in southern Nevada for the past 35 years. We are familiar with land use and infrastructure issues that affect real estate development. The significant land holdings of the Federal Government, and particularly the somewhat checkerboard pattern of these holdings, have presented challenges to the development process. We feel that the Southern Nevada Land Bill addresses many of the problems which currently exist and will be of significant benefit to all of us in southern Nevada.

The following are among the positive impacts of the bill:

It will contribute to the orderly development of vacant land in Clark County by allowing local agencies responsible for land-use planning to have greater involvement in decisions relating to the selection of Federal land to be disposed of and how that land will be utilized.

It will allow for more efficiency in installing and utilizing all types of infrastructure such as roads, sewer, water and utility lines as well as public facilities such as schools and fire stations.

It will reduce the leap frog style of development that has occurred by skipping over close in government parcels in favor of private parcels which are further away from services.

It will maintain the stock of affordable housing by increasing the supply of land that is available for development. More developable

land will keep the price of land more reasonable and thus keep the price of housing within the reach of more residents.

It will recoup a portion of the cost of infrastructure installed by local agencies. The infrastructure installed by local agencies creates most of the value of Federal lands in the Las Vegas Valley. This bill would provide a means of reimbursement for the agencies for the cost of installing the facilities which in turn increase the value of the land.

Finally, it will increase the outdoor recreational opportunities, both passive and active, for residents and visitors.

We urge you to approve this bill, and to encourage Federal and local agencies to move quickly to enable the competitive sale of mutually-agreed parcels of Federal land.

Thank you for the opportunity.

Mr. HANSEN. Thank you.

Mr. Van Ee.

STATEMENT OF JEFF VAN EE, ENVIRONMENTALIST

Mr. VAN EE. Mr. Chairman, Congressman Ensign, Congressman Cooley, my name is Jeff Van Ee and I have been a resident of the Las Vegas area for 25 years.

During those 25 years, I have tended to wear the environmentalist hat and quite often I find myself involved in controversy and sometimes controversy with my fellow environmental friends.

What I am pleased to say today is that I feel that there is little controversy at this level over the proposed legislation that is being offered. That is not to say that I do not have some problems with small portions of the legislation, but I think we have made a great step forward in southern Nevada in developing a consensus to do a number of things.

(1) We have developed a consensus on a map that defines the build-out boundaries of the Las Vegas Valley, and presumably that map will protect sensitive environmental lands that surround the valley and also allow development to proceed. There is little debate about the map, the boundary of the map is good.

The legislation that is before you today has some details that basically give us a road map for how we carry out disposing of the land within the boundaries of that map. And I must say that in my 25 years involved in public land issues in Nevada, the devil is in the details. I testified in support of the Santini-Burton legislation several years ago, I was a real proponent of that change in the land disposal process in the Las Vegas Valley, and I found myself ending up in some controversy from a surprising quarter. At the hearing that I attended in the Lake Tahoe area, what I thought was a win-win situation turned out to be controversial with some people in the Lake Tahoe area.

So the going was tough to get that legislation through, but I felt it was important because, as you mentioned earlier, Mr. Chairman, the land exchange process is not easy. I have seen land exchanges from a variety of perspectives and I have felt for a long time that there has got to be a better way to dispose of land that everyone agrees needs to be disposed of. I think this legislation offers some opportunities. It offers an opportunity to allow the public land in the Las Vegas Valley area to be put up for auction so that we can

determine what the fair market value is, and presumably the proceeds from that sale of the public land can be banked temporarily, to be used for other purposes.

What we have at the present time is a land exchange process that ties very closely the acquisition of private, environmentally sensitive land with the sale of public lands. And I have seen instances where those land exchanges have gone on for as long as 10 years, and no one is satisfied with those delays and with those problems. So I see this legislation as an opportunity to expand upon the successful formula in the Santini-Burton legislation and to go further.

My concern is that southern Nevada is serving as a magnet, it is a magnet for people to move here, people like Mr. Starkey mentioned in this week's issue of the U.S. News and World Report. He moved here because of the open spaces, and with the rapid growth that we are seeing in the Las Vegas Valley area, those open spaces are being lost. We need to do something to keep those open spaces and recreational opportunities that draw people like Mr. Starkey here.

The public lands in the Las Vegas Valley are some of the most valuable public lands in the nation. And that is serving as a magnet for people all across the nation to come here with various land exchanges to see what kind of deals they can work out. And we have seen problems in the past with local governments and local people not being consulted about the impacts of those proposed land exchanges. I think this bill offers some opportunities to change the process in which we dispose of public lands that people agree need to be disposed of, and it also offers the opportunity for us to consolidate land ownings that both the Federal Government is interested in consolidating, as well as the private sector. We have private land holdings in some major recreational areas, the Lake Tahoe Basin has been mentioned. When willing sellers come forth and say I want to convert my private property into public use, we need to provide an efficient mechanism for them to do that. And I see that as being in this bill.

I see that my time has run out, but I would expect that my written testimony which was submitted earlier will be included in the record and I conclude my testimony at this time.

[The prepared statement of Mr. Jeff Van Ee may be found at the end of hearing.]

Mr. HANSEN. Thank you. All of the written testimony will be in the record.

Mr. ENSIGN.

Mr. ENSIGN. Thank you, Mr. Chairman.

I would just like to thank the panel for being involved in this legislation. I think that this pretty much just does not happen in Washington, what we are seeing today with just such a broad base of support that we are seeing with this legislation and how people can sit down and come up with, as you mentioned, Jeff, a win-win situation for people that are truly sitting down, using our minds, how we can truly manage growth properly, how we can use things that are in the best interest of the public and public/private type interests. And I think that this legislation, while nobody—you never have legislation where you agree with every detail of it, I

have not seen a piece yet up in Washington that I have agreed with every detail of—but for the most part, I think we have seen today and I appreciate all of you being here and showing that we do support the legislation, even though we may have problems with one particular part of it. I think one of the purposes was to show the Committee how much broad-based support there is for this legislation.

I have no questions. Thank you, Mr. Chairman.

Mr. HANSEN. John, we all agreed to give Queen Beatrice of the Netherlands a gold medal. That is the last piece of legislation I have ever seen agreement on.

[Laughter.]

Mr. HANSEN. Mr. Cooley.

Mr. COOLEY. Thank you, Mr. Chairman.

Lois, I was kind of interested in your testimony and I was also interested in the letter by Glenn Taylor. I want to tell you that in my younger days, I rode Barstow to Vegas seven times. So I had a little experience in that area.

Let me ask you something, you are citing the water district as disproportionate receiving funds, and if you look at the breakdown in the legislation, five percent would go to general education, 25 to the water district and 20 percent paid directly to Clark County, Nevada for development of parks, trails and other public recreational purposes within the Las Vegas Valley. Do you find objection to the percentages, is that what you are saying here?

Ms. SAGEL. No, actually my objection is not so much to the percentage as to the fact that it would be allocated to one individual agency. I think that it is vital that we get water—I have lived here a long time, water is important. But the water that comes in is the water that goes back out again. So my concern is that we need to have balanced infrastructure support, not just one portion of it.

Mr. COOLEY. OK, thank you.

Mr. Lewis, I would mention—it was in somebody else's testimony, but I wanted to ask you about this—what do you think, as a homebuilder, and I think you probably speak for many of them—would you rather see an auction process rather than a land exchange when it comes to transfer of public lands?

Mr. LEWIS. Yeah, I would rather see the auction or some form of direct sale. I think the exchange maybe unnecessarily complicates and confuses the process and often introduces intermediaries into the process that do not necessarily add value, but increases the cost.

Mr. COOLEY. So if you saw anything involved in this piece of legislation, you might want to see something that said either land exchange and/or auction?

Mr. LEWIS. Yes.

Mr. COOLEY. Is that what got from your testimony?

Mr. LEWIS. Yes, that would be correct.

Mr. COOLEY. OK.

Jeff, I do not see anything wrong with what your position has been on the environment because I think you are talking about a balance. I am very much for that as well because I understand that we need to have a good sound environmental community and we need to also have development.

Mr. COOLEY. But you made a statement, saying that the public land in Nevada or at least the Las Vegas area was the most valuable in the country. Would you tell me why you made that statement? Because I drove here and I drove for many miles after I came over the ridge into the valley and I am not trying to be disrespectful of Nevada because I am from Oregon who has very similar land, but I drove for, you know, maybe 100 miles and I saw nothing but little sagebrush and I was wondering why is that more valuable than anywhere else in the country? Just because of the development, is that what you are referring to?

Mr. VAN EE. Yes, I am referring specifically to the lands in the Las Vegas Valley and to back up that statement, if you look at the number of land exchanges that people have been proposing, particularly in recent years, it is getting to be a mind-boggling list. Local governments, local citizens can hardly keep up with the latest list of pending land exchange proposals.

Mr. COOLEY. So you sort of agree with Mr. Lewis that we should not have land exchanges, we should just have auctions or outright purchases?

Mr. VAN EE. I think there is a time and a place for land exchanges, but I see it as being, again, too cumbersome, sort of a closed process. And it is very hard to establish, once you get into a land exchange scenario, it is very hard to establish fair market value on either side. When the private, environmentally—sensitive landowner decides to enter into an exchange, suddenly his land becomes very high, the price to acquire it becomes very valuable. On the other side of the land exchange, it is very difficult, particularly in the Las Vegas area with the rapid growth that we are getting and the rapid appreciation in land, it is hard for an appraiser to come in and value that public land. And I think the best way to determine the value of the public land in the Las Vegas Valley is to put it up for auction and to allow a variety of people, from small owners, from small—well, from your average citizen to your small builder, to your National-based builder—I think they should all have a fair shot at purchasing those lands, and let the public determine the fair market value for the land. I think that would be a better process.

Mr. COOLEY. So you are suggesting an expedited process for this land to become private out of public.

Mr. VAN EE. Yes, and I think the role that is in this bill for local governments to identify those parcels of land that they feel are ready to be converted into the private sector, I think that is very important. I have seen instances where I, as an average citizen, with an environmental interest have been caught by surprise with some of the proposed land exchanges, and I know that the local governments have been caught by surprise with some of these land exchanges.

So I think the process needs to be reformed to open it up.

Mr. COOLEY. Thank you very much. Thank you, Mr. Chairman, and Congressman Ensign, I appreciate the opportunity to be here at these hearings, I really do.

Mr. HANSEN. Thank you, Mr. Cooley.

Mr. ENSIGN. I just want to say thank you also, Mr. Chairman. I think it has been a very productive day for southern Nevada in

really truly showing how people can come together and work on a very fine piece of legislation. I just want to thank you for your time and your staff's time for coming out here, especially during this busy time. I know how busy your schedule is, especially being a subcommittee chairman, and I just want to thank you for your willingness to work with us at your level as well as at the staff level.

Mr. HANSEN. Thank you.

Mr. ENSIGN. I also want to say thanks to my own staff because I think they have done a great job of putting this thing together.

Mr. HANSEN. Thanks for your comments, and I will even give you more time for a closing statement, if you want it.

But let me just ask Mr. Lewis a question if I may. Throughout this hearing, we have heard a number of glowing reports about the availability and ease of exchanges with the Federal Government. I do not know if you are a big homebuilder or small or where you stand, but do you concur with that?

Mr. LEWIS. With regard—I have not been involved very much with the exchanges. Under the Burton-Santini proposal, we were involved in some of the auctions and we found that a real agreeable process. I think just like Mr. Van Ee said, I think it resulted in a fair way of disposing of the land and probably the highest prices to the Federal Government.

Mr. HANSEN. Do you feel that the small investor, the small land developer is treated equally and as far as a large one?

Mr. LEWIS. Yes, in an auction process. I think in the land exchanges, that may not be the case.

Mr. HANSEN. I see. Many times, we find that a very large organization or concern has the batteries of legal and expertise to go at something where we do not see that as much with the little mom and pop shops, so to speak. That has always been a concern of mine that the Federal Government is kind of like other organizations, the squeaky wheel gets the grease and I just sometimes do not like to see that inequity that happens. But you have not experienced that in your life here?

Mr. LEWIS. I am not sure I am understanding your question. With regard to the auctions that have been held in the past, we thought that was a real fair process, that everybody had a chance to bid on parcels of land and I think the prices reflected fair market value.

Mr. HANSEN. I see.

Mr. LEWIS. Some of the exchanges, I do not know that they were necessarily as open to everybody to be bidding on the land.

Mr. HANSEN. I have to say that I am amazed at the unanimity, as Mr. Ensign pointed out, that we have had here in southern Nevada. You rarely see that. People were hanging off the walls up in St. Paul in a hearing we did not too long ago in opposition to a proposal that people made, and it is interesting to see this kind of unanimity.

I allow the committee to have any closing remarks. I will end with Mr. Ensign since it is his area and so, Mr. Cooley, do you have any closing remarks you would like to make?

Mr. COOLEY. No, Mr. Chairman, and your observation is well-taken. You know, as I spend my time in eastern Oregon we usually have hearings like this and we have picketers and guards and ev-

everything else, so it is kind of nice to come down here and see a little civilization.

[Laughter.]

Mr. HANSEN. I will associate myself with those remarks. And we will turn to Mr. Ensign for any closing remarks.

Mr. ENSIGN. Thank you, Mr. Chairman. I would first like to thank Clark County for providing this facility and really the taxpayers of Clark County because they are the ones who built this facility, and to be able to have this hearing. I also want to thank all of you for coming out again, for providing us this opportunity for everybody, the task force, Senator Bryan, Senator Reid and Congressman Bilbray for starting the whole process off. It truly is remarkable how a community can come together and work and come to some sort of consensus and actually end up with a situation where I think we have a very fine piece of legislation to go forward with. I think that it is going to be a difficult piece to get through some of the groups that we have to deal with on a National level that do not quite understand these public lands issues, but we are willing to put, as Senator Bryan said, put our shoulder to the wheel and go forward with this, because it is a valuable piece of legislation for the southern Nevada area and I think that it sets—as some people would say, a dangerous precedent—I think that actually this shows a model for how things can be done in various areas dealing with public lands.

Mr. HANSEN. The Committee thanks you, Representative Ensign, you have done an admirable job in taking the lead and coming up with some very creative ideas and we compliment you and will look to you for leadership in other areas we are working on.

Like you, I thank the folks for being here at this particular time. I want to thank all of our staffers on both the Democrat and Republican side who have come out to this area. It has been very valuable time for us. I thank this panel we have just had, and this Committee is now adjourned.

[Whereupon, at 12:11 p.m., the Subcommittee was adjourned and the following was submitted for the record.]

104TH CONGRESS
2D SESSION

H. R. 3127

To provide for the orderly disposal of Federal lands in Southern Nevada, and for the acquisition of certain environmentally sensitive lands in Nevada, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. ENSIGN introduced the following bill; which was referred to the
Committee on Resources

A BILL

To provide for the orderly disposal of Federal lands in Southern Nevada, and for the acquisition of certain environmentally sensitive lands in Nevada, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION. 1. SHORT TITLE.**

4 This Act may be cited as the “Southern Nevada Pub-
5 lic Land Management Act of 1996”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—The Congress finds the following:

1 (1) The Bureau of Land Management has ex-
2 tensive land ownership in small and large parcels
3 interspersed with or adjacent to private land in the
4 Las Vegas valley, Nevada, making many of these
5 parcels difficult to manage and more appropriate for
6 disposal.

7 (2) The ad hoc disposal of Federal land by the
8 Bureau of Land Management has significantly con-
9 tributed to growth in the Las Vegas valley, imposing
10 substantial costs on local government.

11 (3) In order to promote responsible and orderly
12 development in the Las Vegas valley, certain of
13 those Federal lands should be sold by the Federal
14 Government based on recommendations made by
15 local government and the public.

16 (4) The value of Federal lands in the Las
17 Vegas valley is enhanced by local infrastructure im-
18 provements which are paid for by local government.

19 (5) The Las Vegas metropolitan area is the
20 fastest growing urban area in the United States,
21 which is causing significant impacts upon the Lake
22 Mead National Recreation Area, the Red Rock Can-
23 yon National Conservation Area, and the Spring
24 Mountains National Recreation Area, which sur-
25 round the Las Vegas valley.

1 (b) PURPOSE.—The purpose of this Act is to provide
2 for the orderly disposal of certain Federal lands in Clark
3 County, Nevada, and to provide for the acquisition of envi-
4 ronmentally sensitive lands in the State of Nevada.

5 **SEC. 3. DEFINITIONS.**

6 As used in this Act:

7 (1) The term “Secretary” means the Secretary
8 of the Interior.

9 (2) The term “Secretaries” means the Sec-
10 retary of the Interior and the Secretary of Agri-
11 culture.

12 (3) The term “unit of local government” means
13 Clark County, the City of Las Vegas, the City of
14 North Las Vegas, or the City of Henderson; all in
15 the State of Nevada.

16 (4) The term “Agreement” means the agree-
17 ment entitled “The Interim Cooperative Manage-
18 ment Agreement Between The United States De-
19 partment of the Interior—Bureau of Land Manage-
20 ment and Clark County”, dated November 4, 1992.

21 (5) The term “special account” means the ac-
22 count in the Treasury of the United States estab-
23 lished under section 4(e)(1)(D).

1 **SEC. 4. DISPOSAL.**

2 (a) DISPOSAL.—Notwithstanding the land use plan-
3 ning requirements contained in sections 202 and 203 of
4 the Federal Land Policy and Management Act of 1976
5 (43 U.S.C. 1711 and 1712), the Secretary, in accordance
6 with this Act, shall by sale or exchange dispose of Federal
7 lands within the boundary of the area under the jurisdic-
8 tion of the Director of the Bureau of Land Management
9 in Clark County, Nevada, generally depicted on the map
10 entitled “Las Vegas Valley, Nevada, Land Disposal Map”,
11 numbered ____, and dated _____. Such map shall be on
12 file and available for public inspection in the offices of the
13 Director and the Las Vegas District of the Bureau of
14 Land Management.

15 (b) RESERVATION FOR LOCAL PUBLIC PURPOSES.—

16 (1) ELECTION AND CONVEYANCE TO LOCAL
17 GOVERNMENTS.—Not less than 90 days before the
18 issuance of a patent to lands pursuant to subsection
19 (a), the unit of local government in whose jurisdic-
20 tion the lands are located may elect to obtain, with-
21 out consideration, up to 12 percent of the lands for
22 local public purposes. Pursuant to any such election,
23 the Secretary shall convey the elected lands to such
24 unit of local government.

25 (2) REVERTER.—Except as provided by para-
26 graph (3), if lands acquired by a unit of local gov-

1 ernment under paragraph (1) are disposed of by
2 that unit or otherwise cease to be used for local pub-
3 lic purposes, such lands shall revert to the United
4 States. Lands revested in the United States under
5 this paragraph shall be offered for disposal in ac-
6 cordance with this Act.

7 (3) EXCEPTION FOR EXCHANGES.—Lands ac-
8 quired by a unit of local government under para-
9 graph (1) may be exchanged for private lands pursu-
10 ant to section 7.

11 (c) WITHDRAWAL.—Subject to valid existing rights,
12 all Federal lands identified in subsection (a) for disposal
13 are withdrawn from location, entry, and patent under the
14 mining laws and from operation under the mineral leasing
15 and geothermal leasing laws.

16 (d) SELECTION.—

17 (1) JOINT SELECTION REQUIRED.—The Sec-
18 retary and the unit of local government in whose ju-
19 risdiction lands referred to in subsection (a) are lo-
20 cated shall jointly select lands to be offered for sale
21 or exchange under this section. If agreement cannot
22 be reached on joint selection with respect to a parcel
23 of land, the parcel may not be offered for sale or ex-
24 change under subsection (a).

1 (2) OFFERING.—After land has been selected in
2 accordance with this subsection, the Secretary shall
3 make the first offering of land as soon as practicable
4 after the date of enactment of this Act.

5 (e) DISPOSITION OF PROCEEDS.—

6 (1) LAND SALES.—Of the gross proceeds of
7 sales of land under this section in a fiscal year:

8 (A) 5 percent shall be paid directly to the
9 State of Nevada for use in the general edu-
10 cation program of the State.

11 (B) 25 percent shall be paid directly to the
12 Southern Nevada Water Authority for water
13 treatment and transmission facility infrastruc-
14 ture in Clark County, Nevada.

15 (C) 20 percent shall be paid directly to
16 Clark County, Nevada, for development of
17 parks and trails and for public recreation pur-
18 poses within the Las Vegas valley after the
19 adoption of an interlocal agreement among
20 Clark County, the City of Las Vegas, the City
21 of North Las Vegas, and the City of Hender-
22 son.

23 (D) The remainder shall be deposited in a
24 special account in the Treasury of the United
25 States for use pursuant to the provisions of

1 paragraphs (2) and (3). Amounts in the special
2 account shall be available to the Secretaries
3 without further appropriation and shall remain
4 available until expended.

5 (2) LAND EXCHANGES.—In the case of a land
6 exchange under this section (other than a land ex-
7 change pursuant to subsection (b)(3)), the Secretary
8 shall provide direct payments pursuant to para-
9 graphs (1)(A), (B), and (C) from any cash equali-
10 zation payment made to the Secretary pursuant to
11 the exchange agreement and from the special ac-
12 count. The payments shall be based on the appraised
13 fair market value of the Federal lands to be con-
14 veyed in the exchange.

15 (3) AVAILABILITY OF SPECIAL ACCOUNT.—

16 (A) IN GENERAL.—In addition to pay-
17 ments under paragraph (2), amounts deposited
18 in the special account may be expended by the
19 Secretaries, acting jointly, for—

- 20 (i) the acquisition of environmentally
21 sensitive land in the State of Nevada in ac-
22 cordance with section 5, with priority given
23 to lands located within Clark County;
- 24 (ii) infrastructure needs associated
25 with recreation and resource protection

1 programs at the Lake Mead National
2 Recreation Area, the Red Rock Canyon
3 National Conservation Area and other
4 areas administered by the Bureau of Land
5 Management in Clark County, and the
6 Spring Mountains National Recreation
7 Area in the State of Nevada; and

8 (iii) development of a multi-species
9 habitat conservation plan in Clark County,
10 Nevada.

11 (B) PROCEDURES.—The Secretaries shall
12 jointly develop procedures for the use of the
13 special account that ensure accountability and
14 demonstrated results.

15 (C) LIMITATION.—Not more than 50 per-
16 cent of the amounts available to the Secretaries
17 from the special account in any fiscal year (de-
18 termined without taking into account amounts
19 deposited under subsection (g)(4)) may be used
20 for the purposes described in subparagraph
21 (A)(ii).

22 (f) INVESTMENT OF SPECIAL ACCOUNT.—All funds
23 deposited as principal in the special account shall earn in-
24 terest in the amount determined by the Secretary of the
25 Treasury on the basis of the current average market yield

1 on outstanding marketable obligations of the United
2 States of comparable maturities. Such interest shall be
3 added to the principal of the account and expended in ac-
4 cordance with the provisions of subsection (e)(3).

5 (g) AIRPORT ENVIRONS OVERLAY DISTRICT LAND
6 TRANSFER.—Upon request of Clark County, Nevada, the
7 Secretary shall transfer to Clark County, Nevada, without
8 consideration, all right, title, and interest of the United
9 States in and to the lands identified in the Agreement,
10 subject to the following:

11 (1) Valid existing rights.

12 (2) Clark County agrees to manage such lands
13 in accordance with the Agreement and with section
14 47504 of title 49, United States Code, (relating to
15 airport noise compatibility planning) and regulations
16 promulgated pursuant to that section.

17 (3) Clark County agrees that if any of such
18 lands are sold or leased by Clark County, such sale
19 or lease shall contain a limitation which requires
20 uses compatible with the Agreement and such Air-
21 port Noise Compatibility Planning provisions.

22 (4) Clark County agrees that if any of such
23 lands are sold or leased by Clark County and are
24 identified on the map referenced in section 2(a) of
25 the Act entitled “An Act to provide for the orderly

1 disposal of certain Federal lands in Nevada and for
2 the acquisition of certain other lands in the Lake
3 Tahoe Basin, and for other purposes”, approved De-
4 cember 23, 1980 (94 Stat. 3381; commonly known
5 as the “Santini-Burton Act”), Clark County shall
6 contribute 85 percent of all proceeds from the sale
7 or lease of such lands directly to the special account.
8 Such proceeds shall be used by the Secretary of Ag-
9 riculture to acquire environmentally sensitive land in
10 the Lake Tahoe Basin pursuant to section 3 of the
11 Santini-Burton Act. The remaining proceeds shall be
12 available for use by the Clark County Department
13 of Aviation for the benefit of airport development
14 and infrastructure.

15 **SEC. 5. ACQUISITIONS.**

16 (a) ACQUISITIONS.—

17 (1) DEFINITION.—For purposes of this section,
18 the term “environmentally sensitive land” means
19 land or an interest in land, the acquisition of which
20 by the United States would, in the judgment of the
21 Secretary of the Interior or the Secretary of Agri-
22 culture—

23 (A) facilitate the preservation of natural,
24 scientific, aesthetic, historical, cultural, water-

1 shed, wildlife, and other values contributing to
2 public enjoyment and biological diversity;

3 (B) enhance recreational opportunities and
4 public access;

5 (C) provide the opportunity to achieve bet-
6 ter management of public land through consoli-
7 dation of Federal ownership; or

8 (D) otherwise serve the public interest.

9 (2) IN GENERAL.—After the consultation proc-
10 ess has been completed in accordance with para-
11 graph (3), the Secretaries may acquire by donation,
12 purchase with donated or appropriated funds, or ex-
13 change environmentally sensitive land and interests
14 in environmentally sensitive land. Lands may not be
15 acquired under this section without the consent of
16 the owner thereof.

17 (3) CONSULTATION.—Before initiating acquisi-
18 tion proceedings for lands under this subsection, the
19 Secretary of the Interior or the Secretary of Agri-
20 culture shall consult with the State of Nevada and
21 with local government within whose jurisdiction the
22 lands are located, including appropriate planning
23 and regulatory agencies, and with other interested
24 persons, concerning the necessity of making the ac-
25 quisition, the potential impacts on State and local

1 government, and other appropriate aspects of the ac-
2 quisition. Consultation under this paragraph is in
3 addition to any other consultation required by law.

4 (b) ADMINISTRATION.—On acceptance of title by the
5 United States, land and interests in lands acquired under
6 this section that is within the boundaries of a unit of the
7 National Forest System, National Park System, National
8 Wildlife Refuge System, National Wild and Scenic Rivers
9 System, National Trails System, National Wilderness
10 Preservation System, any other system established by Act
11 of Congress, or any national conservation area or national
12 recreation area established by Act of Congress—

13 (1) shall become part of the unit or area with-
14 out further action by the Secretary of the Interior
15 or Secretary of Agriculture; and

16 (2) shall be managed in accordance with all
17 laws and regulations and land use plans applicable
18 to the unit or area.

19 (c) DETERMINATION OF FAIR MARKET VALUE.—The
20 fair market value of land or an interest in land to be ac-
21 quired by the Secretary of the Interior or the Secretary
22 of Agriculture under this section shall be determined by
23 an appraisal made under section 206 of Federal Land Pol-
24 icy and Management Act of 1976. Any such appraisal
25 shall be made without regard to the presence of a species

1 listed as threatened or endangered under the Endangered
2 Species Act of 1973 (16 U.S.C. 1531 et seq.).

3 (d) WATER RIGHTS.—

4 (1) NO FEDERAL RESERVATION.—Nothing in
5 this Act or any other Act of Congress shall con-
6 stitute or be construed to constitute either an ex-
7 press or implied Federal reservation of water or
8 water rights for any purpose arising from the acqui-
9 sition of lands or interests in lands under this Act.

10 (2) ACQUISITION AND EXERCISE OF WATER
11 RIGHTS UNDER NEVADA LAW.—The United States
12 may acquire and exercise such water rights as it
13 deems necessary to carry out its responsibilities on
14 any lands and interests in lands acquired under this
15 Act pursuant to the substantive and procedural re-
16 quirements of the State of Nevada. Nothing in this
17 Act shall be construed to authorize the use of emi-
18 nent domain by the United States to acquire water
19 rights for such lands or interests in lands. Within
20 areas acquired by this Act, all rights to water grant-
21 ed under the laws of the State of Nevada may be ex-
22 ercised in accordance with the substantive and pro-
23 cedural requirements of the State of Nevada.

24 (3) EXERCISE OF WATER RIGHTS GENERALLY
25 UNDER NEVADA LAWS.—Nothing in this Act shall be

1 construed to limit the exercise of water rights as
2 provided under Nevada State laws.

3 (e) PAYMENTS IN LIEU OF TAXES.—Section 6901(1)
4 of title 31, United States Code, is amended—

5 (1) by striking “or” at the end of subparagraph
6 (F);

7 (2) by striking the period at the end of sub-
8 paragraph (G) and inserting “; or”; and

9 (3) by adding at the end the following:

10 “(H) acquired by the Secretary of the Inte-
11 rior or the Secretary of Agriculture under sec-
12 tion 5 of the Southern Nevada Public Land
13 Management Act of 1996 that is not otherwise
14 described in subparagraphs (A) through (G).”.

15 **SEC. 6. REPORT.**

16 The Secretary of the Interior, in cooperation with the
17 Secretary of Agriculture, shall submit to the Committee
18 on Energy and Natural Resources of the Senate and the
19 Committee on Resources of the House of Representatives
20 an annual report on all transactions under this Act.

21 **SEC. 7. RECREATION AND PUBLIC PURPOSES ACT.**

22 (a) EXCHANGES.—

23 (1) IN GENERAL.—Upon request by a person
24 described in paragraph (2), the Secretary may enter
25 into an exchange of lands pursuant to section 206

1 of the Federal Land Policy and Management Act of
2 1976 (43 U.S.C. 1716). Exchanges pursuant to the
3 provisions of such section 206 may only be made for
4 lands of equal value, except that with respect to a
5 unit of local government an amount equal to the ex-
6 cess (if any) of the appraised fair market value of
7 lands received by the unit of local government over
8 the appraised fair market value of lands transferred
9 by the unit of local government shall be paid to the
10 Secretary and shall be treated under section 4(e)(1)
11 of this Act as proceeds from the sale of land. Ap-
12 praisals of lands transferred by a unit of local gov-
13 ernment shall not take into account the reversion re-
14 quirement under section 4(b)(2) of this Act.

15 (2) PERSON DESCRIBED.—A person referred to
16 in paragraph (1) is—

17 (A) a grantee of lands within Clark Coun-
18 ty, Nevada, that are subject to a lease or patent
19 issued under the Act entitled “An Act to au-
20 thorize acquisition or use of public lands by
21 States, counties, or municipalities for rec-
22 reational purposes”, approved June 14, 1926
23 (43 U.S.C. 869 et seq.; commonly known as the
24 “Recreation and Public Purposes Act”), or

1 (B) a unit of local government making an
2 election under section 4(b)(1).

3 (3) TERMS AND CONDITIONS APPLICABLE TO
4 LANDS ACQUIRED.—Land acquired under this sec-
5 tion by a grantee described in paragraph (2)(A)
6 shall be subject to the terms and conditions, uses,
7 and acreage limitations of the lease or patent to
8 which the lands transferred by the grantee were sub-
9 ject, including the reverter provisions, under the
10 Recreation and Public Purposes Act. Land acquired
11 under this section by a unit of local government de-
12 scribed in paragraph (2)(B) shall be subject to the
13 reversion provisions of section 4(b)(2) of this Act.

14 (b) WATER TREATMENT FACILITIES.—Notwith-
15 standing any other provision of law, the Secretary shall
16 make available land under the Recreation and Public Pur-
17 poses Act to the Southern Nevada Water Authority, as
18 identified on the map entitled “Las Vegas Valley, Nevada,
19 Water Treatment Facilities and Delivery System”, num-
20 bered ____, and dated ____.

21 (c) FLOOD CONTROL.—The Secretary, in consulta-
22 tion with the United States Army Corps of Engineers and
23 the Clark County Regional Flood Control District, shall
24 make available land in Clark County, Nevada, in accord-
25 ance with the Recreation and Public Purposes Act for

1 flood control purposes. Such lands shall be made available
2 to the Clark County Regional Flood Control District.

3 **SEC. 8. BOUNDARY MODIFICATION OF RED ROCK CANYON**
4 **NATIONAL CONSERVATION AREA.**

5 Section 3(a)(2) of the Red Rock Canyon National
6 Conservation Area Establishment Act of 1990 (16 U.S.C.
7 460ccc-1(a)(2)) is amended to read as follows:

8 “(2) The conservation area shall consist of ap-
9 proximately ____ acres as generally depicted on the
10 map entitled ‘Red Rock Canyon National Conserva-
11 tion Area—Proposed Modification’, numbered ____,
12 and dated ____.”.

**CLARK COUNTY BOARD OF COMMISSIONERS
AGENDA ITEM**

Issue:	Sales and Exchanges of Public Lands in Clark County	Back-up:
Petitioner:	Paul Christensen, County Commissioner	Clerk Ref. #
Recommendation:		
That the Board of County Commissioners approve, adopt and authorize the Chairman to sign a resolution urging the Nevada Congressional Delegation to support a revised, cooperative process for conducting sales and exchanges of public lands in Clark County which will provide a rational policy for managing growth in the Las Vegas Valley.		

FISCAL IMPACT:

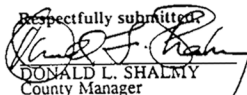
None by this action

BACKGROUND:

Clark County is impacted by the privatization of federal land through both the land exchange and the land sale processes. Large tracts of land in the Las Vegas Valley continue to be privatized in exchange for land elsewhere in the State that has been deemed by various agencies of the federal government to be "environmentally sensitive." Most of the land transferred to federal ownership through these exchanges is outside of Clark County. Thus, Clark County receives little or no conservation benefit from the exchange, yet is impacted by the privatization of large amounts of land in the Las Vegas Valley. The sale of federal lands has a similar impact on Clark County. Primary impacts of continued privatization include: installation of new infrastructure to serve development of newly privatized land, creation of additional growth pressures in areas currently not serviced by infrastructure, alteration of natural urban growth patterns, increased pressure on shrinking water supplies, and additional demands placed upon all public service providers. AIDR No. 2678 provides additional information relating to land exchanges.

The attached resolution urges the Nevada Congressional Delegation to support a cooperative process for conducting sales and exchanges of public lands in Clark County which will provide a rational policy for managing growth in the Las Vegas Valley.

APPROVED/ADOPTED/AUTHORIZED AS RECOMMENDED

Respectfully submitted,

 DONALD L. SHALMY
 County Manager

Cleared for Agenda

8-15-95

18

25-149

Agenda Item #	104
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AGENDA ITEM DEVELOPMENT REPORT

OFFICE OF THE COUNTY MANAGER
CLARK COUNTY, NEVADA

AIDR No.: 2678

DONALD L. SHALMY
County Manager

Date: 08/07/95 Agenda Date: 08/15/95

DALE W. ASKEW
Assistant County Manager

Originating
Department: Comprehensive Planning

JAMES L. LEY
Assistant County Manager

Contact/Ext: Richard B. Holmes/4181

Issue: Land Exchanges

Subject/Title:

Update on land exchange proposals in Clark County.

Recommended Action:

That the Board of County Commissioners approve, adopt and authorize the Chairman to sign a resolution urging the Nevada Congressional Delegation to support a revised, cooperative process for conducting sales and exchanges of public lands in Clark County which will provide a rational policy for managing growth in the Las Vegas Valley.

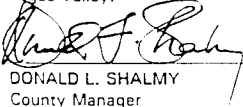
Summary:

Over the past several years, Clark County has been significantly impacted by the privatization of federal lands through the land exchange process. In the last decade, the Bureau of Land Management has privatized approximately 17,380 acres of land in Clark County. The Bureau of Land Management is currently processing 13 exchange applications that could privatize an additional 21,700 acres of land in the Las Vegas Valley in the near future (see attached matrix and map). An additional 28,640 acres may be privatized near Mesquite through an interstate land exchange involving "environmentally sensitive" lands near St. George, Utah.

Land exchanges generally have an adverse impact on Clark County because: (1) most of the land being privatized is within Community District 3, requiring extension of infrastructure and public services into parts of the Las Vegas Valley that are beyond existing service areas; (2) large amounts of land are instantaneously privatized, creating significant development pressures in localized areas and increasing the demand for additional water supplies; and (3) most "environmentally sensitive" land obtained by the federal government is not within Clark County, so the County derives no direct open space or conservation benefit from the exchange.

AIDR: LAND EXCHANGES
August 7, 1995
Page Two

Staff at the Bureau of Land Management has indicated that most of the land exchanges currently being processed throughout the United States are in Clark County. This situation is expected to continue due to the ongoing urban growth and development trends in the Las Vegas Valley.


A handwritten signature in dark ink, appearing to read "Donald L. Shalmy", is written over a horizontal line.

DONALD L. SHALMY
County Manager

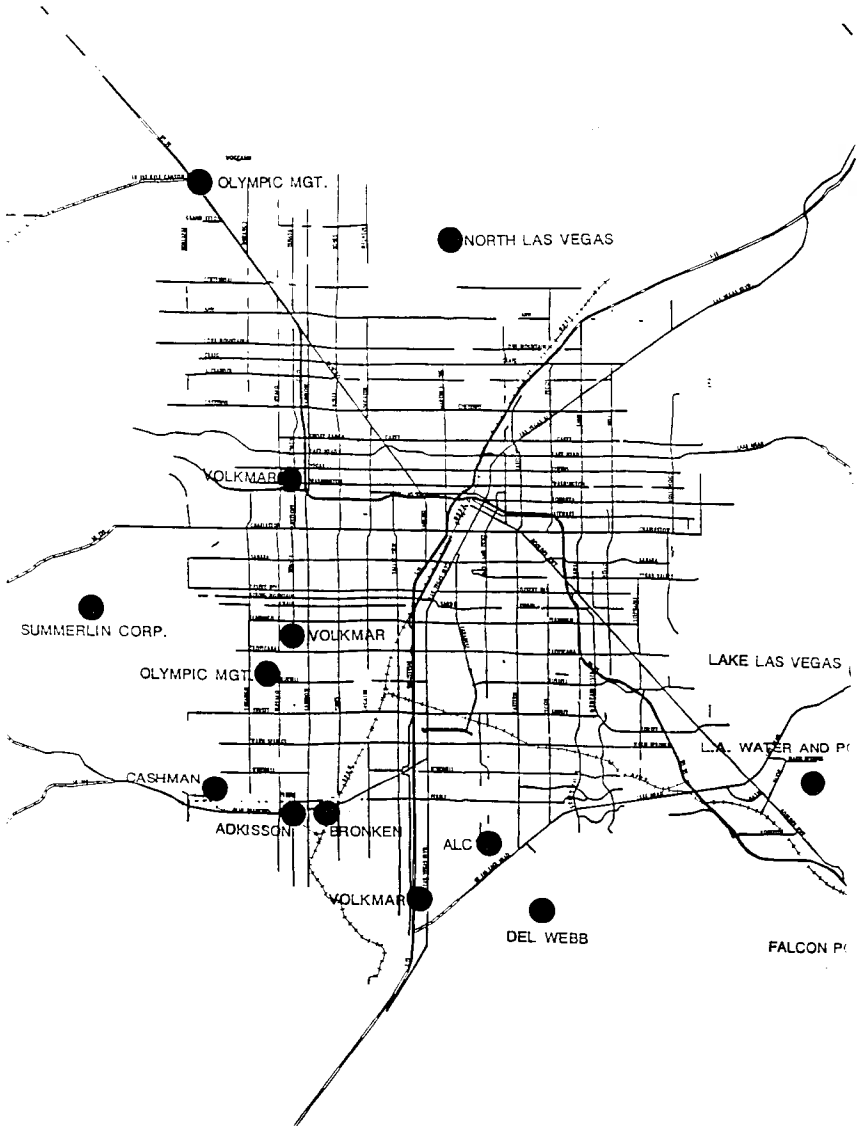
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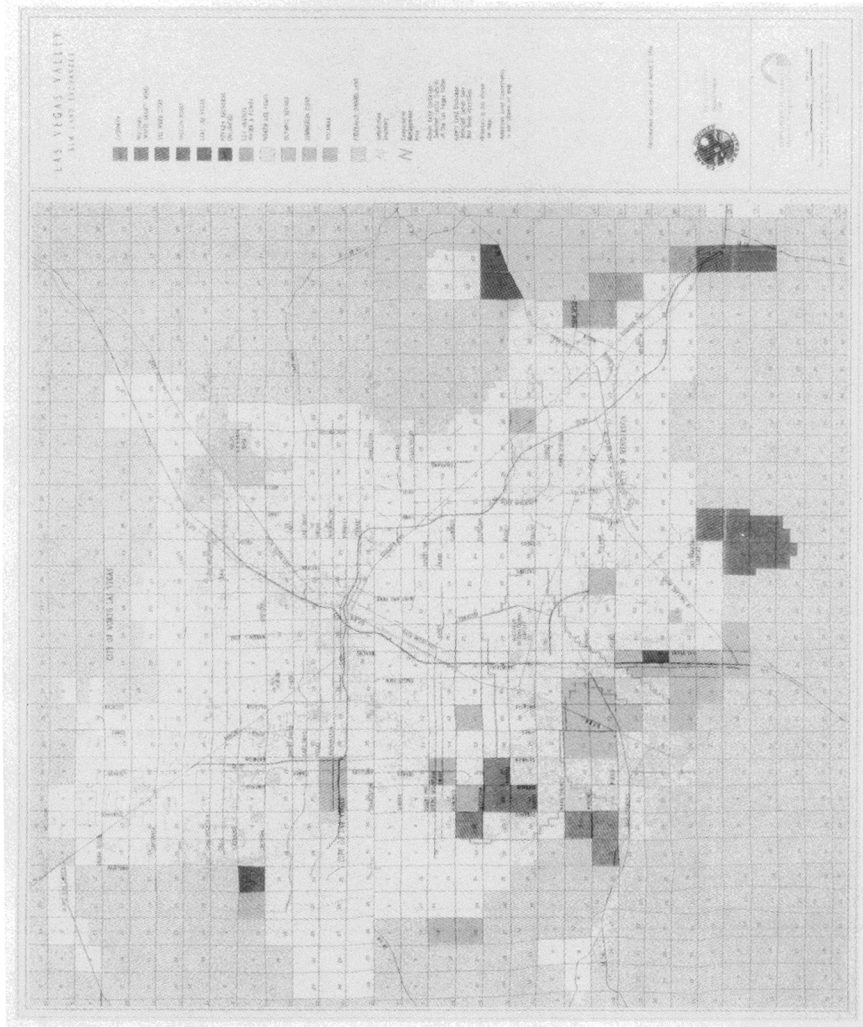
LAS VEGAS VALLEY BLM LAND EXCHANGES

PROJECT PROPONENT	BLM FILE NUMBER	LOCATION OF OFFERED LAND (TO BE FORMALIZED)	OFFERED LANDS ACREAGE	LOCATION OF SELECTED LAND (TO BE PRIVATE)	SELECTED LANDS ACREAGE	PROBLEMS	STATUS OF EXCHANGE
AMERICAN LAND CONSERVANCY	N-53877	DEER CREEK SPRING MOUNTAIN NRA	\$3 MILLION CREDIT	LAS VEGAS VALLEY	300+	THIS IS TO CLOSE OUT THE CALIMA EXCHANGE. COME OUT WITH SELECTED LANDS.	BLM RECEIVED LIST OF ADDITIONAL SELECTED LANDS (WILL ACTUALLY)
BROWNEN	N-53878	LAKE MEAD NATIONAL RECREATION AREA	275	725898E PORTION OF SECT 22 & 23 (NOT SHOWN ON MAP)	17.5	NONE KNOWN	EXCHANGE ANALYSIS PENDING. PARK SERVICE HAS LEAD
CASHMAN	N-53878	LEE CANYON AND MOUNT MONTAN	1500+	725898E PORTION OF A, 17 & 18	851+	ACREAGE WILL PROBABLY CHANGE BASED ON APPROVAL	COMPLETION EXPECTED 4/1/96
DEL WEBB CORP.	N-53817	CHURCHILL COUNTY	3482	725898E PORTION OF SECT 11, 12, 13, 14, 15, 16, 17, 18, 19, 20	4875+	POTENTIAL MINING CLAIMS CONFLICT	COMPLETING EA
DOYLE	N/A	ST. GEORGE, UTAH	UNAVAILABLE	MESQUITE, NEVADA AND LINCOLN COUNTY	28440	REQUIRES LEGISLATION BY U.S. CONGRESS	ON HOLD
FALCON POINT	N-53831	SOUTH END OF RUBY LAKE NEAR ELKO	1489+	725898E PORTION OF SECT 2, 11, & 14	718+	NEEDS TO BE LOCATED ON OFFERED LANDS. SELECTED LANDS HAVE MORE VALUE THAN OFFERED LANDS	APPROVAL EXPECTED 6/1/96
LAKE LAS VEGAS	N-53839	CALICO DAM	\$5	725898E SECT 20, 27, & 34	1400	EXCHANGE ON HOLD - DISTRICT COURT CASE	ON HOLD DUE TO COURT PROCEEDINGS
LEWIS	N-53885	LINCOLN AND CLARK COUNTY	1100	NONE IDENTIFIED	220	ACREAGE HAS NOT ACQUIRED YET. LINCOLN COUNTY IS TRYING TO FIND LANDS TO EXCHANGE	FEASIBILITY REPORT PENDING
LOS ANGELES WATER AND POWER	N/A	CALIFORNIA COAST AND NEAR BEVERLY HILLS	105+	725898E PORTION OF SECT 8, 15, 16, 22, & 35	1680+	REQUIRES LEGISLATION BY U.S. CONGRESS. AREA OF CRITICAL ENVIRONMENTAL CONCERN FOR LOS ANGELES WATER AND POWER	THERE IS ONLY A LETTER REQUESTING THE EXCHANGE. LOS ANGELES WATER AND POWER IS TRYING TO FIND LANDS TO EXCHANGE
NEVADA BIGHORNS UNLIMITED (PERMA BILT)	N-53875	DOUGLASS, LYON, AND WAGGON COUNTIES	3840	725898E PORTION OF SECT 12, 725898E EASTERN HALF OF SECT 20	118.75	LANDS TO BE PRIVATE ARE WITHIN CDD	CARSON CITY BLM HAS LEAD. EA PENDING APPROVAL
NORTH LAS VEGAS	N/A	UNAVAILABLE	UNAVAILABLE	725898E SECT 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, & 31, 725898E SECT 14, 15, 20	7500	SEEKING OFFERED LANDS FOR EXCHANGE	ON HOLD
OLYMPIC MANAGEMENT	N-53773	LAND IN LAKE TANGIE, PORTION OF DAVY JOE ESTATE	350+	725898E PORTION OF SECT 4 & 7, 725898E PORTION OF SECT 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100	3784+	SOME SELECTED LANDS ARE WITHIN AIRPORT CMA AND CDD BOUNDARY	FEASIBILITY REPORT PENDING FINAL SIGNATURE FROM STATE DEPARTMENT
SUMMITLUM CORP.	N-54445	725898E PORTION OF SECT 16, 17, & 32	775+	725898E PORTION OF SECT 11, 725898E PORTION OF SECT 15 & 22	93+	NONE KNOWN	ON HOLD PER PROPONENTS REQUEST
VOLKMAR	N-53822	WEST SIDE OF SUBURB/PREHISTORIC MOUNTAIN MOUNTAIN NATIONAL CONSERVATION AREA	544+	LAS VEGAS VALLEY	1680+	SOME SELECTED LANDS ARE WITHIN CDD	EA PENDING APPROVAL
DON WILLIAMS	N-53844	725898E PORTION OF SECTION 27 & 34 (WHITE BEAUTY MINE)	205+	725898E PORTION OF SECT 20, 27 & 28, 725898E PORTION OF SECT 20	251+	DAMAGED OFFERED LANDS MUST BE REHABILITATED	ON HOLD

NEW EXCHANGE PROPOSAL WITH NO AGREEMENT TO INITIATE
 EXCHANGE
 PROPOSAL
 VICTOR MERRILL LAKE TANGIE

• 1996 BLM HIGH LAND EXCHANGE PRIORITY





RESOLUTION - SALES AND EXCHANGES OF PUBLIC LANDS IN CLARK COUNTY

WHEREAS, Federal land exchange and sale practices create increased growth pressures which place service demands on local governments and;

WHEREAS, the availability of infrastructure providing water and waste water enhances substantially the value of federal lands and;

WHEREAS, the infrastructure to serve federal land being privatized through federal sales or exchanges is paid for by local communities through fees and taxes and;

WHEREAS, federal land exchange and sale practices have led to speculation based inflation of land costs and;

WHEREAS, the existing process does not provide a mechanism for full cooperative participation of local governments.

NOW, THEREFORE, be it resolved that the Board of County Commissioners urges the Nevada Congressional Delegation to pursue legislation similar to the Burton-Santini Act as a means of establishing a partnership with local governments to provide for a rational policy on growth management concerns in the Las Vegas Valley, and that such legislation provide for the following growth management principles:

A joint local/federal planning process to identify land disposal areas

Local concurrence on federal decisions to offer land for sale or exchange

A mechanism which allows for the reservation of land for public purposes to support the land being privatized

Apportionment of land sales revenues to reimburse local governments for water and wastewater infrastructure costs

A policy for considering local impacts within the context of the Environmental Assessments performed under the National Environmental Policy Act

PASSED, ADOPTED AND APPROVED THIS 15th DAY OF August, 1995.

BOARD OF COUNTY COMMISSIONERS
CLARK COUNTY, NEVADA

BY Yvonne Atkinson Gates
YVONNE ATKINSON GATES, CHAIR

8/16/95

ATTEST:

BY:

Loretta Bowman
LORETTA BOWMAN, CLERK

RESOLUTION

WHEREAS, the Board of County Commissioners supports and actively participated in the creation of the Nevada Public Lands Management Act; and

WHEREAS, the passage of the Nevada Public Lands Management Act is critical to local government's ability to provide infrastructure service to newly privatized land; and

WHEREAS, the Nevada Public Lands Management Act has received bi-partisan, broad based community support; and

WHEREAS, since the introduction of the Nevada Public Lands Management Act, there has been a dramatic increase in the number of land exchange proposals filed with the Las Vegas District Office of the Bureau of Land Management; and

WHEREAS, the processing of these applications now would defeat the purpose of the proposed legislation and have a devastating impact on the ability of local governments to provide infrastructure to these properties.

NOW, THEREFORE, BE IT RESOLVED, that the Board of County Commissioners urges that until the Nevada Public Lands Management Act receives final action, the Secretary of the Interior impose a moratorium on all land exchanges and public land sales within the boundaries identified in the Nevada Public Lands Management Act, exclusive of those applicants who have entered into an agreement to initiate exchanges prior to February 29, 1996.

PASSED, ADOPTED AND APPROVED THIS 5th DAY OF March, 1996.

BOARD OF COUNTY COMMISSIONERS
CLARK COUNTY, NEVADA

BY: _____
YVONNE ATKINSON GATES, Chair

ATTEST:

BY: _____
LORETTA BOWMAN, Clerk

Mr. Chairman, it is a pleasure to be here today and testify in support of HR 3127, the Southern Nevada Lands bill which has been authored and introduced by Representative John Ensign, the able legislator who represents the First District of Nevada in the U.S. House of Representatives.

This legislation has been a long time in process. More than three years ago, the Congressional delegation organized a task force of all the varied interests concerned about public lands and development in Clark County and Southern Nevada. That task force included representatives of all the local governments affected, developers and real estate interests as well as representatives of environmental groups. It worked to confront the many issues associated with the vast federal holdings in this county, the very rapid growth and all of the impacts associated with these issues. Its purpose was to fashion a response that would facilitate more orderly development that would take into account local interests as well as those of the Federal government. HR 3127 embodies the results of that effort.

This task force process is an excellent example of the collaboration that can occur when Federal, State and Local governments sit down at the table along with varied private interests to work out their problems. Representative Ensign and the other members of the delegation deserve credit for setting up this process and supporting it. Whatever recommendations are made in the course of this hearing or any others which you may have regarding this important legislation, the task force

remains a viable mechanism for working out any concerns which emerge. I urge you, Mr. Chairman, to recognize the creative process Mr. Ensign has encouraged and to use it as a model elsewhere.

As you know Mr. Chairman, Southern Nevada is the most rapidly growing metropolitan area of the nation. The City of Henderson is the most rapidly growing large city in the nation, according to the U.S. Census Bureau. The City has nearly doubled its population since the last Census. Think for a minute about what that means. It means that 350 housing units are built and that the public schools enroll 170 new children each month in this city of 120,000. It means that grocery stores, doctor and dental offices, gas stations, and convenience stores literally spring up overnight. I hope that while you are here you will have some time to travel about and witness this phenomenal growth for yourself.

All of this growth is occurring in a county where the Federal government owns more land than makes up the state of New Jersey! In fact, the Federal government owns 87% of the entire state of Nevada.

HR 3127 provides an innovative process for more efficiently disposing of federal lands that are available for development and protecting those lands which should be protected and preserved for open space, scenic vistas, wildlife habitat and areas of archaeological significance. It also provides more equitable assistance to the local governments and agencies which are impacted by growth.

A major achievement of HR 3127 is requiring the Bureau of Land Management to seek the concurrence of the affected local government prior to the sale or exchange of public lands. In addition, the Department of Interior and the Department of Agriculture would also be required to do the same prior to acquiring environmentally sensitive lands. This change is extremely helpful to local governments because it helps to make development more orderly and responsive to the needs of our citizens. We will be better able to plan and project the development of infrastructure, especially streets, roads, water and sewer. We will be able to avoid extending infrastructure over large undeveloped parcels of land to serve an outlying parcel.

We also appreciate the proposed "disposal boundary" idea for many of the same reasons. We believe that this approach is a valid means for fostering development and protection of sensitive lands simultaneously. We also believe that the provisions which withdraw all mining and geothermal claims from entry, lease, patent etc. is very beneficial, as well, since these mechanisms have been used to keep land out of development and have resulted in capricious development patterns.

Another important feature of HR 3127 is that it provides that 12 percent of disposed public lands be conveyed for public purposes to the local government in which the lands are located. We recommend that the legislation specify that these lands would be exclusive of usual right-of-way dedications for roadways, etc. This provision will greatly assist us with supplying parks and other recreational facilities as

well as allocating land for police, fire stations, and other needed infrastructure to accommodate the growth which we are experiencing.

We would like to make two recommendations to strengthen this provision. First, the public purpose conveyance should go to the local government which will ultimately provide services to the land. For example, in Henderson, there are many examples of developments which occur just outside of the City's boundaries, but where the City is the only possible source of supplying necessary services, especially water and sewer. In this case, the legislation should provide that the public purpose lands go to the City, since it is the impacted jurisdiction. Second, we support a provision which has been included in the Senate companion bill, which provides for the conveyance of land under the public purpose provisions for affordable housing. With our rapid growth, escalating land and construction costs, and the tremendous demand for entry level housing, we have a critical need to develop quality affordable housing. The use of public land for this purpose, on even a demonstration basis, would be of great benefit.

The conveyance of land in the Airport Environs Overlay District to the Clark County Department of Aviation is an important provision of the bill. It assures uses near the airport that are compatible with its operations, including noise levels generated by the high volume of traffic and the flight patterns. We encourage you, however, to stipulate in the legislation that proceeds from the sale of public land near the Sky Harbor Airport be utilized for its development.

We greatly support the bill's plan for the proceeds from the sale of public lands and urge your adoption of it. This approach is a basic step to assuring some support for infrastructure as land is developed. The division of funds which is specified in the legislation is an equitable one.

All in all, Mr. Chairman, HR 3127 is an excellent legislative effort worthy of your support and expeditious consideration. We commend it to you. We are also very willing to assist you, Representative Ensign, or your staff in any way that we can to advance this legislation in this Congress. Thank you for giving me the opportunity to testify before you today.

PREPARED STATEMENT OF MAYOR JIM SEASTRAND

**ADDRESS TO JAMES HANSEN
CHAIRMAN: SUBCOMMITTEE ON NATIONAL
PARKS, FORESTS AND LANDS**

Honorable James Hansen and Subcommittee Members, I am James Seastrand, Mayor of the City of North Las Vegas. I am here today in support of H.R. 3127 titled the Southern Nevada Public Land Management Act of 1996.

The City of North Las Vegas, during the past seven years, has aggressively attempted to assist the federal government in the orderly disposal of certain federal lands located within our corporate boundaries. In part we have been very successful in transferring a 1,100 acre site, however, a much larger 7,500 acre parcel still remains in public ownership. The City has expended thousands of taxpayer dollars working with the federal government to no avail. We see this proposed legislation as being the catalyst for completing the first step of implementing our vision for future planned growth and development. To this end, we strongly support enactment of H.R. 3127, provided very minor modifications to the legislation are included in the final version.

I respectfully request consideration be given to an amendment to Section 4(e)(1)(c) to allow for direct payment to the units of local government, rather than requiring an interlocal agreement among Clark County, the City of Las Vegas, the City of North Las Vegas, and the City of Henderson. In my opinion, mandating an agreement upon local governments by federal legislation reduces the ability of cities to meet the special recreational needs of its communities. This is clearly evident in the fact that a third of the land scheduled for disposal lies within the City of North Las Vegas. Therefore the impact on North Las Vegas will be much greater than any other local unit of government. We must be able to fulfill these demands for recreational facilities. A mandated interlocal agreement could restrict this City's ability to fulfill its obligation to the future residents of our community.

Once again, I respectfully request Section 4(e)(1)(c) be amended as follows:

(c) 20 percent shall be paid directly TO THE UNIT OF LOCAL GOVERNMENT [Clark County, Nevada] for development of parks and trails and for public recreation purposes within the Las Vegas Valley [, after the adoption of an Interlocal Agreement among Clark County, the City of Las Vegas, the City of North Las Vegas, and the City of Henderson].

Thank you for this opportunity to appear before the Subcommittee on National Parks, Forest and Lands. The City supports your efforts to provide for the orderly disposal of federal lands located within Southern Nevada. When this legislation is adopted it will help all of Southern Nevada achieve its goals for planned and orderly growth while providing the financial resources to accomplish our visions.

James Seastrand, Mayor
North Las Vegas

PREPARED STATEMENT OF OF MS. LOIS SAGEL

Motorcycle Racing
Association of Nevada
3475c Boulder Highway
Las Vegas, Nevada 89121

April 2, 1996

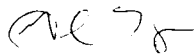
The Honorable James V. Hansen, Chairman
Subcommittee on National Parks, Forests and Lands
United States House of Representatives
Committee on Resources
Washington D.C. 20515

Chairman Hansen

The Motorcycle Racing Association of Nevada (MRAN) represents several thousand Off-Highway Motorcycle Riders and families in Southern Nevada. MRAN was pleased that our Vice President, Robert Maichle, participated on the Public Lands Task Force. The diversity and parity of that Task Force is reflected in their balanced and innovative approach to the needs for growth, recreation, and environmental integrity in Southern Nevada. MRAN supports that bi-partisan effort and the concept developed by the Public Lands Task Force.

Their conception is expressed as House Bill HR-3127 and companion bill S-1626, cited as the Southern Nevada Public Land Management Act. The eleventh hour wording in this legislation raises some concern. The bill singles out the Las Vegas Valley Water district for a substantial portion of the benefits at the expense of trails and recreation. Growth within the Las Vegas Valley has been at the expense of recreation. Funding for Parks and Trails should be primary. While infrastructure mitigation to the Water District is appropriate, other affected entities such as the Sanitation District should be included.

The justification for mitigation and remediation is warranted, the involvement of local entities important, the acquisition of environmentally sensitive lands necessary. Fair and equitable changes to subsections B and C of section 4(e-1) on page 5 are urged, followed by the swift passage of this legislation.



Glenn Taylor
MRAN President



Betty Johnson-Rivers
MRAN, Secretary

Testimony of Jeff van Ee on H.R. 3127
before the
House Subcommittee on National Parks, Forests and Lands
April 5, 1996

Introduction

I have lived in the Las Vegas valley since 1972. I have been active in a number of environmental organizations and issues over the years. I have served on the boards of the Sierra Club, Nevada Wildlife Federation, and the Nevada Outdoor Recreation Association. I have assisted in the designation of: wilderness areas in the Humboldt and Toiyabe National forests, the Red Rock National Conservation Area, and the Spring Mountain National Recreation Area. My participation in public lands issues has included the promotion and eventual passage of the Santini-Burton legislation that allows public lands, administered by the Bureau of Land Management in Las Vegas, to be sold to finance the purchase of environmentally-sensitive lands in Nevada - most notably in the Lake Tahoe area. I have received national recognition for my environmental work with my most recent award being a "Special Achievement" award from the National Wildlife Federation on March 2, 1996.

Today, I am here to express my qualified support and provide my perspectives on H.R. 3127 - the "Southern Nevada Public Land Management Act of 1996. I will first provide some background information on the problems that this legislation attempts to correct and on the process that was used to develop this legislation. Next, I will comment on specific parts of this legislation. I will offer my suggestions on how this legislation can be improved and on how this legislation may bring about desirable changes in how the Federal government manages and disposes of public land in the metropolitan area of Las Vegas.

Background

The Las Vegas area is one of the fastest growing metropolitan areas in the nation. Values of public and private lands within the area are rapidly appreciating. Public lands, particularly those held by the Bureau of Land Management in southern Nevada, are becoming more valuable as private parties seek to acquire those lands for development, and the public seeks the scenic vistas and recreational opportunities provided by those lands. Those public lands within the metropolitan area of Las Vegas that are determined to be best suited for incorporation into the private sector should be sold or exchanged. Unfortunately, there have been problems with the sale and exchange of those public lands. The Santini-Burton legislation was intended to correct some of those problems, and H.R. 3127 was originally intended to expand upon that legislation and to address those problems.

Approximately 86% of Nevada is owned or managed by the Federal government. This fact provides our state unique opportunities, but problems also arise. Public lands along the Humboldt River in northern Nevada are checker boarded with private lands. Private environmentally-sensitive lands lie within large tracts of Federal land that possess outstanding opportunities for recreation and wildlife. Borders between private and public lands need to be adjusted for better management. Years ago, money could be obtained from the federal government and the Land and Water Conservation Program to buy private, environmentally-sensitive lands from willing sellers, but those days are long gone. Today, we must look within Nevada and towards more innovative approaches to better manage our lands.

Many people are increasingly looking to the increasingly valuable public lands within the Las Vegas valley to solve their land management problems. Numerous land exchanges have been, or are being, proposed to acquire private, environmentally-sensitive lands in Alaska, California and Florida as well as Nevada. These land exchanges seem to make sense at first, but all too often the exchanges fail to meet the following objectives:

- Streamline and facilitate the sale of select public lands and subsequent purchase of private, environmentally-sensitive lands from willing sellers

- Sell selected public lands in the Las Vegas valley at the highest price, at fair market value, and in an open market to ensure a reasonable opportunity for anyone to acquire the lands and to achieve the greatest amount of revenue for the public good
- Purchase private, environmentally-sensitive lands, within the area affected by the sale of public land, at the lowest cost and greatest benefit to the public
- Ensure an open process that permits the selection of the public lands to be sold to occur with local input and adequate consideration of the impacts on the environment, local governments, and local infrastructure.

Unfortunately, many land sales and land exchanges in southern Nevada involving BLM lands have had problems. The Santini-Burton legislation attempted to resolve several problems by developing a map, with input from local governments, that would guide the local office of the BLM in their realty actions. Sales of public lands that are within the border of the map would help finance the purchase of private, environmentally-sensitive lands in northern Nevada and within the Lake Tahoe area. Land exchanges that might have accomplished the same goals in selling public land in the Las Vegas valley to finance the purchase of environmentally-sensitive lands in Lake Tahoe were effectively split into separate sales and purchase transactions. This split, embodied in the Santini-Burton legislation, was supposed to ensure that many of the objectives that I outlined above would be met. The Santini-Burton legislation was a step in the right direction, but time and recent development in southern Nevada brings us to the point where the legislation needs to be basically revamped.

H.R. 3127 is similar to the original Santini-Burton legislation in that a map was developed with local input to guide the local office of the BLM in their realty actions. I participated in a series of public task force meetings that were first chaired by former Congressman Bilbray and then by Senators Reid and Bryan. A wide range of interests were represented in the meetings and a consensus was sought on the ultimate buildout boundaries of the Las Vegas metropolitan area. Public lands that lay within those boundaries would then be eligible, subject to the

recommendations from local governments and the public, for sale and/or exchange. My goal, in participating in those meetings, was to ensure that public lands within the metropolitan area that possessed important environmental, wildlife, and recreational values would continue to be retained in their natural state. The lands could be transferred to local governments for better management, but my goal was to ensure that people like Mr. Bill Starkey of Las Vegas would not be disappointed in having left southern California for the “dry climate and wide-open spaces” of southern Nevada.¹ My dream is similar to Mr. Starkey’s and that is for a “system of trails linking subdivisions to the mountains.” We cannot achieve that dream if we sell all of the public lands within the Las Vegas valley for private development. We must consider the environmental impacts and long-term benefits to our rapidly growing metropolitan area. Having said all this, I must say that I basically support the map that was drawn from those series of Public Land Task Force meetings.

The second step in the process of updating the Santini-Burton legislation and improving the process for selling and exchanging public lands in southern Nevada was to develop the legislative language for disposing of those public lands within the boundaries of the map that were selected with local input. All too often, in the past, the local office of the BLM failed to adequately consult with local officials and the public on the impacts of a proposed sale or exchange of public land in southern Nevada. The map that the BLM has been using to guide their realty actions in southern Nevada is badly outdated and does not adequately reflect the desires of the public, nor does it provide sufficient protection to the environment in a number of areas. Hopefully, the map before us today will help guide the BLM in their present and future realty transactions. The proposed legislation is intended to provide further operating instructions to the BLM in selling select public lands in the Las Vegas metropolitan area. Unfortunately, I have a few problems with the present, proposed legislation.

H.R. 3167

Impacts from the tremendous population growth in southern Nevada can be felt within the valley

¹ “Building a New Frontier,” U.S. News and World Report, April 1, 1996, pp. 62-64, 66.

and on adjacent federal lands that border the valley. The Forest Service and the Spring Mountain Recreation Area, the BLM and the Red Rock National Conservation Area, the National Park Service and the Lake Mead National Recreation Area, and the U.S. Fish and Wildlife Service and the Desert National Wildlife Refuge are all feeling the impacts. Urban park lands for residents in the valley are on a per-capita basis lower than the national average. More money is needed for all of these areas if we are to maintain the qualities that attracted Mr. Starkey and others to visit and move to southern Nevada. Proceeds from the sale of our public lands in the Las Vegas metropolitan area should continue to go towards the purchase of environmentally-sensitive lands in Nevada and towards the maintenance of open spaces, trails, and wildlife habitat in southern Nevada. The Las Vegas valley is where the impacts are being felt from the loss of public land, and money from the sale of that public land should be used to mitigate the impacts from those sales.

Those who advocate the use of money from the sale of public lands in southern Nevada to finance improvements to the local water distribution and treatment system appear to be setting a dangerous precedent. Their argument is that improvements to the local infrastructure increase the value of the public land that is sold, and the increased revenues available to the federal government are lost. This proposed legislation calls for 25% of the proceeds from the sale of public lands in southern Nevada to be paid to the Southern Nevada Water Authority. I do not believe their arguments warrant a siphoning off of 25% of the money that would be used to finance the purchase of private, environmentally-sensitive lands for improvements that many expect local governments to bear. An increase in the sales tax and an excise tax on water bills has already been suggested to pay for the costs of providing new water to the Las Vegas valley. Developers and ratepayers of water are expected to pay for the additional costs of supplying water to their property. When public land becomes part of the tax roles, the higher value that can be attributed to the existence of nearby utilities will immediately be reflected in the higher taxes that local governments can collect from the higher assessed property values. Focusing on the desirability of using revenues from the sale of public lands to pay for our local water system may not gain much support from those members of Congress and the public who do not have public lands in their area that can be sold at high values to pay for their local infrastructure costs. In addition, the bill for paying for the increased demands on our recreational resources in southern Nevada will likely be considered long after the bills for

increased water, schools, police, sewer, and flood control have been considered. That bill, for increased expenditures on local recreational resources may never be paid, and our open spaces and recreational resources in southern Nevada will continue to degrade. I therefore urge the proponents of this particular legislation to consider eliminating the 25% tap for our Southern Nevada Water Authority. The county already receives select public land at little; or no cost, for recreation and public purposes. The 20% allocation for parks, trails, and open spaces within Clark County should be enough revenue for the county!

The draft legislation provides few details on the proposed "Boundary Modification of Red Rock Canyon National Conservation Area." I understand that this section has been included to address some problems from previous legislation, but I would like to learn more about the intent of this section.

I have long been concerned about the relative lack of involvement of the public and local government¹ in the decisions of the local office of the BLM to dispose of land in southern Nevada. Recent changes within the BLM are encouraging in that local input will be better considered than in the past. This legislation establishes a formal process where local governments recommend to the BLM the timing and location of sales of public land in southern Nevada. I support this requirement, but I wonder, in the absence of the National Environmental Policy Act and Environmental Impact Statements, whether local governments will be fully prepared to consider the competing interests in obtaining particular parcels of land for private development. Will public, environmentally-sensitive lands within the Las Vegas valley such as washes be left in public ownership for eventual development of trails and parks, or will those lands be acquired and be developed for high-density residential developments? Only time will tell whether we in southern Nevada will have had the foresight to develop the trails, parks, and open spaces that add as much to this community as houses, hotels, and factories.

Thank you for the opportunity to provide my perspectives on this legislation and the management and disposal of public lands in southern Nevada.

STATEMENT OF PAUL J. CHRISTENSEN, VICE-CHAIRMAN, BOARD OF COUNTY COMMISSIONERS

PAUL J. CHRISTENSEN
VICE CHAIRMAN BOARD OF COUNTY COMMISSIONERS
February 28, 1996

The Honorable Bruce Babbitt
*Secretary of Interior
United States Department of Interior
1849 C Street, NW, Room 6151
Washington, DC 20240*

DEAR SECRETARY BABBITT:

On August 15, 1995, the Board of County Commissioners adopted a resolution urging the Nevada Congressional Delegation to introduce legislation which would enable Clark County to better manage the Consequences of the privatization of public lands, either by sale or by exchange. A copy of that resolution, along with the agenda item detailing the concerns of the County, is enclosed for your reference.

Clark County then proceeded to facilitate a community wide effort to craft the elements of the legislation such that all of our community interests would be met, from the protection our environmental assets to the financing of infrastructure to meet the needs of newly privatized land. I was very pleased with the speed with which the legislation was drafted and introduced and I applaud the efforts of the entire delegation on behalf of Clark County. The speed with which this process is moving is an indicator of the total, community wide support of this most critical piece of legislation.

Since the introduction of the legislation, however, I find that there has been a dramatic increase in the number of land exchange applications being filed with the Las Vegas District Office of the Bureau of Land Management. To process these applications now would defeat the purpose of the proposed legislation and have a devastating impact on the ability of local governments to provide infrastructure to these properties.

I am, therefore, requesting that a moratorium be placed on the processing of land exchange applications within Clark County until such time as the proposed legislation receives due consideration and final action. I would agree that any lands under consideration for sale or exchange prior to the introduction of the legislation, or for those applicants who have entered into an agreement to initiate exchange prior to February 29, 1996, should still be eligible. I have drafted a resolution supporting this request that I intend to bring to the Board of County Commissioners on the 5th of March. Given the full support I have received from my colleagues on this matter, and the importance to the community, I have no doubt that it will be adopted.

I realize that what I am asking is no small matter. However, the consequences to our community could prove absolutely devastating otherwise. I thank you in advance for your serious consideration of this matter.

Sincerely,

PAUL J. CHRISTENSEN
Vice Chairman

PREPARED STATEMENT OF MS. PATRICIA MULROY

Santini-Burton Act and Apex Act

In discussing this problem with our Congressional delegation, we proposed to follow two Federal statutes governing the disposal of public lands previously approved by Congress. These statutes are the Santini-Burton Act already referred to by Commissioner Christensen and the Apex bill, Federal legislation which created 50/50 partnership between the Federal Government and Clark County in developing Federal desert land known as Apex.

The Apex project Nevada land transfer authorization act of 1989 (Public Law 101-67) allows Clark County to develop a Heavy Use Industrial Park on Federal land located on the Apex site north of the Las Vegas Valley. The site was selected to relocate chemical manufacturing facilities involved in the production of hazardous rocket fuel ingredients for the defense program and to establish a location for other hazardous materials and heavy use industries to locate away from the populated areas in Las Vegas. under the terms of this Act, Clark County provided the infrastructure to develop the Industrial Park and negotiated the sale of land parcels to private in-

dustries desiring to locate at the Apex Industrial Park. Clark County is entitled under the statute to be reimbursed for its infrastructure costs from the sale price of the lands. the remaining net proceeds are divided 50 percent to the Federal Government and 50 percent to Clark County.

H.R. 3127 borrows from both the Santini-Burton Act and the Apex Act by allowing local government to participate in the process of identifying lands to be disposed of and also in sharing in the increased land values brought by providing infrastructure through a 50/50 split of the proceeds from the sales of Federal lands. For the SNWA, this approach is critically important to defray the added costs of designing a new water system on to provide service to the expanded rings of BLM lands which surround the developed parts of Las Vegas. It will partially reimburse us for water infrastructure that is providing value to otherwise barren desert tracts of Federal land.

Conclusion

H.R. 3127 will reestablish a cooperative working partnership between the Federal Government and local government as we seek to provide water service to the growth which will occur in the next decade through the continued disposal of Federal landholdings within the Las Vegas Valley. We urge you to expedite the bill's enactment so that the terms of this cooperative partnership can be immediately applied to the next block of Federal lands that are released for development. Thank You.

FEDERAL LANDS DISPOSAL IN SOUTHERN NEVADA

TUESDAY, APRIL 23, 1996

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON NATIONAL PARKS, FORESTS AND LANDS, COMMITTEE ON RESOURCES,

Washington, DC.

The subcommittee met, pursuant to call, at 10:04 a.m., in room 1334, Longworth House Office Building, Hon. James V. Hansen [chairman of the subcommittee] presiding.

STATEMENT OF HON. JAMES V. HANSEN, A U.S. REPRESENTATIVE FROM UTAH, AND CHAIRMAN OF THE SUBCOMMITTEE ON NATIONAL PARKS, FORESTS AND LANDS

Mr. HANSEN. I would like to welcome everyone out today to this hearing of the Subcommittee on National Parks, Forests and Lands. In starting, I would like to thank Congressman John Ensign for his fine work on this legislation. He has done a remarkable job working with interested parties to introduce what I consider an excellent piece of legislation.

At the Las Vegas field hearing earlier this month, I was witness to a great accomplishment. Unlike most issues, John was able to achieve a unanimity of thought among a very diverse group. I enjoyed that hearing and appreciate Mr. Ensign's work to continue to move this bill forward.

The legislation before the subcommittee today is a crucial component in providing for the orderly disposal of Federal lands in Clark County. It builds on the existing Santini-Burton Act and enhances the best elements of that Act.

As many of the witnesses and Mr. Ensign will testify, the Las Vegas Valley has experienced unprecedented growth over the past decade. Driven by sustained employment growth, Clark County is among the fastest growing areas in the United States. It is my understanding that in 1994 alone, local governments issued 25,570 residential building permits.

As Clark County is surrounded by Federal land, the phenomenal growth in the Las Vegas area has triggered the greatest demand for public land exchanges and other realty transactions in the BLM's history. In the last decade, the BLM has privatized approximately 17,380 acres of land in Clark County.

They are currently processing 13 exchange applications that could privatize an additional 21,700 acres in the near future. The privatization of these Federal lands has an enormous impact upon Clark County and other units of the local government.

As someone who got his start in politics as a city councilman, I understand the needs and concerns of local government. It does not take much thought to understand the many impacts caused by the privatization of Federal lands in such large amounts.

The primary impacts include the need for installation of new infrastructure, urban growth patterns, increased pressure on shrinking water supplies, and additional demands placed on public service providers.

Additionally, the need for local governments to plan for growth is paramount. Without a mechanism to provide for the orderly disposal of Federal lands in this valley, we will continue to face what amounts to a crisis.

I applaud Congressman Ensign and the Senators and the many people involved with the creation of this legislation. The bill would allow for the disposal of excess Federal lands in a planned and careful manner.

At this time, I would like to acknowledge the efforts of the Bureau of Land Management. At the field hearing, I was amazed at the many compliments given to the local BLM in Las Vegas for their fine work. I realize that Mr. Dombek and the BLM in Washington have concerns with portions of this bill, and I appreciate their willingness to try and work them out in the spirit of comity.

I want to thank each of our distinguished witnesses today for their testimony and look forward to hearing from each and every one of them. And before we do that, I would turn to my colleague from Nevada, Mr. Ensign, for any remarks he may have.

STATEMENT OF HON. JOHN ENSIGN, A U.S. REPRESENTATIVE FROM NEVADA

Mr. ENSIGN. Thank you, Mr. Chairman, and thank you for your continued commitment and dedication to H.R. 3127, the Southern Nevada Public Lands Management Act of 1997. This is the second of two hearings on this legislation. I look forward to working with you on its quick passage.

For the benefit of those members who were unable to attend the field hearing that was held in Las Vegas, I would like to take this opportunity to briefly recap the overwhelming support that this legislation has received. Senator Bryan and I have worked very hard to develop this legislation that accommodates a vast array of concerns.

We have conducted numerous meetings of our respective public lands task forces that include members of the local BLM office, Clark County officials, utility providers, developers, and environmentalists. In a Congress that has seen so much controversy, it is refreshing to see legitimate legislation with such bipartisan support.

There were many of our witnesses from previous hearings that would have liked to testify here again today. However, due to scheduling conflicts, they were unable. Specifically, Dr. Brian Cram, the Superintendent of Clark County School District, the fastest growing school district in the United States, submitted additional testimony for this hearing that at this time I would like to make part of the record without objection.

Mr. HANSEN. Without objection.

[The prepared statment of Dr. Brian Cram may be found at the end of hearing:]

Mr. ENSIGN. Dr. Cram strongly supports H.R. 3127 and explains that due to the combination of rapid growth, substantial Federal presence, and limited resources for education, the contributions to the State school account as in H.R. 3127 have masterfully contributed to the improvement of education in the State of Nevada.

Also, Mr. Chairman, I would like to point out to our colleagues the testimony of Lois Sagel and Jeff Van Ee, two residents of Las Vegas and local environmentalists. Both of these witnesses expressed their strong support and stressed the importance and need for this legislation.

Mr. Chairman, now that I have given our colleagues a brief synopsis of the feelings of the local Las Vegas residents, I will briefly explain the highlights of this legislation.

With the extreme rate of growth that the Las Vegas Valley is currently experiencing, there is a desperate need for the ability of local government officials to control this growth. H.R. 3127 does exactly that by providing the necessary mechanisms and allowing the local governments to be an integral part of the process.

With all the vast problems facing southern Nevada as a result of this phenomenal growth, H.R. 3127 is an effort to remedy many of these problems and provide the local governments the tools to control the growth and development the Las Vegas area is experiencing.

We have provided funding for Clark County to supply parks or recreational facilities throughout the county. With all this explosive growth, it is vitally important that we ensure the existence of sufficient open space and recreational opportunities.

Additionally, this surge of population growth has resulted in significant economic and environmental impacts upon our recreational areas, Federal areas, such as Lake Mead, Spring Mountain, Red Rock, and others. The Ensign-Bryan bill—I guess in the Senate we will talk about this as the Bryan-Ensign bill—would help adequately fund these areas.

A portion of the revenues generated could be designated for infrastructure improvements in these areas. With over 2.5 million people expected to visit Red Rock by 2025, this additional funding will be a welcome contribution.

We also provide Clark County with funding to develop a multispecies habitat conservation plan. Clark County has already spent significant financial resources to deal with the desert tortoise. This is money that local governments are spending on Federal lands.

And, lastly, Mr. Chairman, a portion of the revenue would be used by the Southern Nevada Water Authority for a future water delivery system. The ability of residents to receive an adequate water supply is the most pressing issue currently facing southern Nevada.

The current land exchange process has resulted in the privatization of lands outside the current utility service areas. We all want to be stewards of the American taxpayer, myself included. Here is a situation where Federal action has resulted in negative financial impacts on the local Las Vegas taxpayer and ratepayer.

As Pat Mulroy will explain in greater detail, substantial costs are associated with providing services to these isolated tracts. To date, we have not asked the Federal Government for any assistance, and I think it is very important to point out that the value of this land is greatly inflated due to the services and infrastructure that taxpayers and ratepayers are providing.

This added value of providing services is paid for by current taxpayers and ratepayers—people basically living in the area now. And I see no reason why southern Nevadans shouldn't be getting something back from the sale of these lands that our utility bills have made so valuable. Without this infrastructure, the BLM land is virtually worthless in the open market.

I know there are concerns with revenue sharing provisions. Some may claim this is unprecedented. This is simply not true. Public Law 101-67, the Apex Project Nevada Land Transfer Authorization Act of 1989, provided for a 50/50 split between Clark County and the BLM.

This 50/50 split occurred after the county had been reimbursed for any infrastructure costs. Just as the Apex legislation acknowledged that the land was virtually valueless without infrastructure, so does H.R. 3127. Thank you, Mr. Chairman, and I look forward to comments from our witnesses, and I appreciate your efforts.

Mr. HANSEN. Thank you, Mr. Ensign. The gentleman from Michigan, Mr. Kildee.

Mr. KILDEE. I have no opening statement, Mr. Chairman. Thank you very much.

Mr. HANSEN. Thank you. Senator Bryan, it is always a privilege to have you here. We are honored that you would be with us this morning. We will turn the time to you, sir.

STATEMENT OF HON. RICHARD BRYAN, A U.S. SENATOR FROM NEVADA

Senator BRYAN. Thank you very much, Mr. Chairman. And let me preface my comments and add, as did Congressman Ensign, the appreciation that we both have for your interest and involvement in this legislation, your coming to Las Vegas during a recess period when I know you had a number of conflicting requests on your schedule to be in your own congressional district.

And also let me add a public word of commendation for Congressman Ensign. The bipartisanship which has characterized this legislation really is a model that I hope would extend to other aspects of our congressional endeavors together, and Congressman Ensign has been most supportive. And, as you know, the legislation that we have both introduced is virtually the same.

I thank you again for your invitation for me to be here. And, as you know, Senator Reid and I have introduced legislation in the Senate. The legislation has its roots in the Southern Nevada Public Lands Task Force. That task force has its genesis in the organizational structure planned by former Congressman Jim Bilbray in the summer of 1994 which was to provide an open forum in which public land issues could be discussed, particularly those that directly affect the Las Vegas Valley and would involve Federal, State, local, and private entities.

It is comprised of representatives from the State of Nevada, Clark County, the Cities of Las Vegas, North Las Vegas, and Henderson, the Bureau of Land Management, the Forest Service, National Park Service, the Fish and Wildlife Service, the Southern Nevada Water Authority, the Regional Flood Control District, the Clark County School District, and representatives of the development community, and, as Congressman Ensign cited, members of the environmental community.

It represents the broadest and most inclusive spectrum that I have ever seen gathered in support of any piece of legislation that I have had the privilege of working on.

As you will recall, Mr. Chairman, from my testimony at our previous hearing, its purpose was two primary goals: one, to establish and maintain a better working relationship between the BLM and local government planning agencies; and, two, to develop a master plan for the Las Vegas Valley that identified those BLM lands which should be transferred to private ownership and those which should be retained for public purposes.

Last summer, we reconvened the task force to build on the goal of developing a master plan for the valley. We worked closely with the task force in our efforts to develop a legislative proposal that sought to improve the current BLM land disposal policy in the Las Vegas Valley. This proposal eventually became the Southern Nevada Public Land Management Act. As vindicated, with Congressman Ensign's support, this has been a bipartisan effort.

The Southern Nevada Public Land Management Act is a response to perhaps the greatest challenge that we in southern Nevada face, and that is the need to promote responsible and orderly growth in the Las Vegas Valley while protecting our surrounding environment and enhancing the recreational opportunities that exist in southern Nevada.

As I know you have observed firsthand, Mr. Chairman, ours is the fastest urban-growing center in America. I mean, the change is absolutely mind-boggling even to those who have lived there in the community as I have for more than a half a century. There is now more than 1 million people in the metropolitan area.

I mean, if you went back to my own childhood, as I shared with you at the testimony before the subcommittee in Nevada, I mean, in 1940 we had 8,500 people. The year I graduated from high school, we had 30,000 people. I mean, that is not all that long ago, and the growth rate is going to continue based upon all the projections.

More than 100,000 hotel rooms, as Congressman Ensign well knows, in southern Nevada and thousands more scheduled. So the pressures are there, and we need to deal with this in a responsible fashion, and I think the legislation we have put together provides the vehicle for doing so.

You will recall, Mr. Chairman, that at the conceptual level, the legislation represents a synthesis of two previously enacted pieces of legislation. I won't go into great detail, but the Santini-Burton Act that dates back to 1980, as well as the Apex land transfer legislation, which Congressman Ensign has alluded to.

In keeping with the Santini-Burton, our legislation recognizes that land use planning decisions are best made at the local level

so our proposal gives local government an equal voice in deciding when and where Federal land sales should occur in the valley.

The map, which will be described in more detail but which is depicted to my right, your left, establishes a boundary for future BLM land sales and exchanges in the Las Vegas Valley. And combined with other components of the bill, it would serve as a blueprint to assist us in designing public land policy for the 21st century.

The map essentially represents the maximum build-out boundary for the valley. It was generated in close consultation with local government planning agencies, other members of the task force to reflect their vision for future growth and development in the valley.

It is important to note that virtually all of the BLM land recommended for sale or exchange under this land has already been identified for disposal by the BLM under the existing management framework plan for the Las Vegas Valley. In fact, our legislation would reduce the overall amount of land available for disposal in the valley.

The Apex land legislation, which is the progenitor of this legislation, enacted in 1989, transferred 20,000 acres of BLM land just outside the Las Vegas Valley to Clark County for the development of a heavy-use industrial site. When the land is improved and eventually sold by Clark County to a private entity, the revenue sharing provisions of the Act allow Clark County to recover the value of the infrastructure improvements it has made to the land before providing the Federal Government with its share of the proceeds of the sale.

The legislation before us today recognizes the same principle, that the presence or proximity of local government services and infrastructure increases the value of Federal land. Consequently, our legislation would direct a portion of the proceeds of Federal land sales to local government to assist with local infrastructure development and to the State for the benefit of general education programs.

The legislation would make two significant improvements over the current land exchange process. Number 1, it would allow local land managers to take a more proactive role in Federal land disposal decisions. And, number 2, it would institute a competitive bidding procedure to ensure that the disposal of BLM land yields the highest return or the true fair market value.

There are currently over 20 land exchange proposals. I might add I think it is now more than 25, and before the end of this hearing, I am sure there will be at least two or three more. I was called over the weekend about two additional proposals that I had not previously heard of. So, I mean, this is an area in which there is great interest as you know having been there yourself.

The vast majority of these proposals are for intrastate exchanges; meaning that the BLM has the authority to process them without congressional action. This legislation would open the process to allow anyone who wishes to bid on BLM land that is put up for sale and would eliminate the need to enter into protracted appraisal negotiations over selected BLM land that so often bog down a cumbersome exchange process.

Mr. Chairman, I can attest to two that I have been intimately involved with, the Galina exchange as well as the Deer Creek. That

is like passing a gallstone. I mean, that is a tough one. I mean, I think Galina took us 40 months, and Deer Creek had its share of problems as well. So it is a cumbersome process in terms of reconciling the appraisal process.

I believe this legislation makes great strides toward improving the public land policy in southern Nevada. As I have indicated previously, I much appreciate your interest. I look forward to working with you and our colleague from southern Nevada, Congressman Ensign.

Mr. HANSEN. Thank you, Senator; appreciate your excellent testimony. Mr. Ensign.

Mr. ENSIGN. Thank you, Mr. Chairman. Senator Bryan, I want to publicly laud your efforts that you have had and the leadership that you have shown on this bill. Briefly, the Administration, if you have looked at some of the testimony from Mr. Dombeck, they have some problems with the formulas and reverting so much of the money to basically local southern Nevada.

Could you address, the fairness question to the American taxpayer, versus what we have experienced in southern Nevada with this, land that is worthless.

Senator BRYAN. Well, Congressman, as you know, under the current law, it would not be precluded if our legislation is enacted. The mechanism has been this land exchange process, which you and I are familiar with and which I just alluded to previously. That does not involve any dollars going directly to the Federal Treasury, as you know.

What occurs is that BLM land that is sought goes through this appraisal process; values are determined. The privately held land that we want to acquire for recreational purposes, whether it be Galina or Deer Creek or the Cashman property or some of the other exchanges that we have been involved with, is appraised. And so, in effect, in theory it is a net wash. No additional moneys actually come to the Nation's capital.

Conceptually, under the Santini-Burton Act, as you know, some 15 percent would be retained for State and local purposes. The other 85 percent of those sales, in theory, although it is subject to the appropriation process, all went to acquire environmentally sensitive land in Lake Tahoe.

So I hope I am responding to your question. I mean, the present system does not result in any direct revenues to the Federal Treasury when one looks at the mechanism that is provided. And as you pointed out in your comments, I mean, it is the improvements that the local infrastructure puts in place that does add to that value.

I mean, without water, without the infrastructure support, that land is worth substantially less, and I daresay would not generate the kind of interest to the private sector that we have seen developed. I mean, if you don't have the infrastructure out there, it does not have a fraction of the value.

So it seems to me that it represents a fair and reasonable approach, and I realize that there are those who have some concerns about the balance. But I think what we have put together is a reasonable balance.

Mr. ENSIGN. Just real quickly, you have been around this institution a lot longer than I have. In the past, there have been com-

plaints about stewardship, about public lands in a case like this. Normally, if a Federal freeway goes by an area, it increases the value of Federal lands.

Do you have any kind of guess what the Federal part of improving the value of these lands is in Las Vegas? I mean, is a small portion, you know, less than half, less than a quarter? Just any kind of a guess in that respect? I mean, you are as familiar with southern Nevada as I am.

Senator BRYAN. Yes. John, it is my sense what drives that value, as you know, is the fact that ours is a community that has enjoyed this dynamic growth potential. I mean, there is not a day that you and I aren't in Las Vegas that someone is not pointing out a new subdivision, a new property that is developed that we don't read in the paper as we do every Sunday. There is some new project of some substantial size, a commercial development. And, clearly, the need to provide opportunities for housing and other ancillary support for that growth drives the need for the acquisition of additional land.

So it is the private sector, number 1, that if we weren't experiencing the growth, notwithstanding the efforts of local governments to provide the infrastructure which is supported, there would not be, as you know, the demand. It is the growth.

Secondly, I think the fact that the local governmental entities are provided substantial resources, that is a tremendous burden, as you well know, on them to provide. I mean, Dr. Cram, whose statement that you inserted into the record—as you know, we are debating another substantial, you know, bond issue this year.

I mean, there is no place in America—no place that is adding the number of public schools that we are each year. I mean, you have to be there to see. I say to my friend my Michigan, it is incredible. And so I think that is driving it, and I think the Federal factor in terms of contributing value would be much, much less than those other two factors, in my view.

Mr. ENSIGN. And just lastly, very quickly comment on the value to the American taxpayer for buying environmentally sensitive lands, Red Rock areas. You know, some of this money is set aside to do that.

Senator BRYAN. And that is right. I mean, there are public recreational values there, and when we use the term public, I mean, obviously, to you and to me who represent that area, we are looking at, you know, the million people who now live in that area, the recreational opportunities for them.

But let me just point, one of the commentators who covers the political scene in Washington here called me the other day, and he said, "You know, I am coming to Las Vegas with my family." He said, "Where do you think I ought to go?" Congressman, from the point that you just made, I said, "Well, let me tell you." I said, "I think you ought to go out there and take a look at what we have got at Red Rock. I think that is quite an experience, and it is very close in."

The point that I am making indirectly is these are not just for Nevadans, although because of their proximity, they are going to enjoy that more frequently than others, but this is an asset that belongs to the American people. So all taxpayers everyone benefit.

Mr. ENSIGN. Thank you.

Senator BRYAN. Our colleague from Michigan—I mean, people from Michigan come out there to enjoy those recreational resources, and we want to protect those values it seems to me. And I think we are doing our best to do so.

Mr. ENSIGN. Thank you. Thank you, Mr. Chairman.

Mr. HANSEN. Mr. Kildee.

Mr. KILDEE. Thank you very much, Mr. Chairman. Senator, I will say I am openminded on this bill; trying to find out what the total public interest may be. I am a little nervous that I am financing though the loss of another Michigan congressional district.

And doing my math here, that is about 54,000 a year, and over a 10-year period, that is the size of my congressional district. So I have to admit a certain maybe not enlightened self-interest but a self-interest here, but I am being facetious there.

Senator BRYAN. I can assure you that the Congressman and I did not have Michigan in mind.

Mr. KILDEE. OK. I do know, however, many of my good people both go out there to stay and certainly enjoy the beauty of your State and some of the other attractions in Nevada also. Why do we not apply, and I am only asking—I am just trying to seek some information here—why would we not apply this to the private undeveloped land that would be sold?

We apply it to the land owned by the taxpayers of the United States, but the Hughes Corporation, for example, controls a great deal of private undeveloped land, and that land has accrued some value because of the infrastructure. Why would we not apply that same principle to those private landholders?

Senator BRYAN. Well, of course, I mean, because it would be a private property interest that would be protected, one could not other than I guess through the auspices of eminent domain. The planning procedures that are available at the county and local levels in which we haven't—you will have those that are far more experienced than I, Congressman—our good Commissioner from southern Nevada, a good friend of mine, Paul Christensen, could tell you more about this than I—but as an incident to the various development plans, they are required to dedicate certain amounts for road and infrastructure set-asides, and all that is part of the planning process.

But to go beyond that, and, again, I am beyond my area of expertise, you certainly could not just simply arbitrarily it seems to me say legally we are going to require you to pay X number of dollars to the State, X number of dollars here, or you might very well get involved into a due process argument. I think you can do that with respect to the planning process itself, but even that I think is subject to some limits.

This, of course, is not a private property asset. This is a public asset, and all of these moneys would go for a public purpose and recreational interests that are to be protected at the Federal level, and as Congressman Ensign and I have crafted this, to provide for parks and trails with respect to the local areas.

The five percent that goes to the State of Nevada, under our constitution, those moneys must be allocated for our State school system. And the other portion that is dedicated to the Southern Ne-

vada Water Authority, that is all for a public improvement to get, you know, those services provided. So that is a public, not a private, although there clearly is a value that is enhanced that we believe is recovered in this legislation.

Mr. KILDEE. I think during the course of the action in this bill, to the degree you can show the distinction between the Federal publicly owned land and privately undeveloped land, why the 50 percent would apply to one and not the other, I am sure there is a case that can be developed that would be helpful to the committee as other witnesses too.

Senator BRYAN. And I would just emphasize again, and I may have done a very poor job of explaining that, but half of the proceeds would be dedicated with respect to the acquisition of additional lands for Federal management purposes. In other words, we have been involved over the years in the expansion of Red Rock, for example. We have been involved in the expansion of the Spring Mountain Range.

The acquisition of Deer Creek, which I made reference to, that was an inholding, Congressman, that was owned privately. The private developer approached the county to develop it. The private property owner did, subject to the constraints that the county put on, did have a private property right to proceed legally, and we were able to persuade the property owner to sell.

But the only financing mechanisms that we have currently is through this exchange process; that is, to identify some publicly owned lands that could be sold that would, in effect, provide the means to financially purchase the private sector. That is an awkward process. We think this is a better process because you always get involved in, well, which appraisal is right?

And I know you have had a lot of experience in this, but typically I think it is the experience in life that the seller tends to think that the appraisal should be much higher, and the buyer has a different appraisal. And then we go through a third and fourth appraisal, and it is, quite candidly, an administrative nightmare. This mechanism would provide that these properties so identified would go by way of public auction. That means the market would determine what they would be sold for, and we think that is probably a better way of protecting public dollars.

Mr. KILDEE. Just a comment, Mr. Chairman, before I finish up. Nevada is certainly a very beautiful State, and you have to be very proud—you and Mr. Ensign—representing such a wonderful State. My wife and I have enjoyed ourselves out there many times. Being a Civil War buff too, I have always been fascinated by how Nevada came into the Union rather rapidly because Lincoln, looking at the election of 1864, felt he needed those three electoral votes and got them in just in time. I am not sure he wound up needing them, but he felt he might need them. And it was very interesting.

Senator BRYAN. Well, in fact, the longest telegram ever sent until this past decade was the constitution of the State of Nevada, which was telegraphed to the Nation's capital, so that on the 31st of October, a week before the presidential election of 1864, Nevada was admitted to the Union.

Our emblem is Battle Born, and I think Shakespeare might have said that we were "ripped untimely from the womb." We were pre-

mature, but we came in for a good cause. And I think I can say to you as a Michigander, we came in on the right side.

Mr. HANSEN. In fact, we copied their constitution, and we have been trying to change it ever since.

Mr. ENSIGN. Would the gentleman yield?

Mr. KILDEE. I would be happy to yield.

Mr. ENSIGN. First of all, there are a couple distinctions on the private land versus the public land that we already have there. First of all, the private land right now when you take infrastructure by it the private land already contributes to the cost of the infrastructure, where the Federal land does not. And so the private land is—assuming its increase in value, it is contributing to that increase in value already. The Federal land is not doing that.

Secondly is, you mentioned the Hughes Corporation. They paid for most of the infrastructure to come up to them already—to that area. As a matter of fact, they voluntarily put in a freeway overpass that they paid for completely privately. By the way, they constructed it a lot faster than what is normally done, and so they did a lot of exactly what you are saying. So those differences are in southern Nevada treated differently already.

Mr. KILDEE. I thank the gentleman.

Mr. HANSEN. The gentleman's time has expired. The gentleman from Oregon, Mr. Cooley.

Mr. COOLEY. Thank you, Mr. Chairman. Good to see you again, Senator. How are you now?

Senator BRYAN. It is good to see you as well, Congressman.

Mr. COOLEY. I think you get a little more humidity here.

Senator BRYAN. Yes, just a little bit more.

Mr. COOLEY. Right. Let me ask you one question I am kind of curious about. I understand that the Bureau of Land Management has some concerns about this particular piece of legislation. Could you explain to me how this is going to be addressed along with their concerns?

Senator BRYAN. Well, I think all of us understand the nature of the legislative process. We want, obviously, to hear their concerns, and I think Congressman Ensign and I are going to try to work through those concerns.

I think one thing, although the predicate of this bill, as you and I discussed when you were in Las Vegas, does have its origins in two pieces of legislation enacted previously by the Congress, and that is the Santini-Burton Act, which was used as the vehicle to acquire environmentally sensitive lands at Lake Tahoe, and some of the proceeds from that would go to State and local governments, and then more recently the Apex transfer in which—again, recognizing that, you know, local governments were putting in a substantial amount of the improvements, that when those properties are sold that some of the moneys would be, you know, retained at the local level. So we have crossed the Rubicon on that, Congressman, it seems to me.

What Congressman Ensign and I and Senator Reid are doing is we are extending that concept to what we believe is the next logical step. That may be a reach that is too far for some, as you know, and I have great respect for Mr. Dombek who is going to be testifying shortly.

But I think there is some sense that somehow the Federal Government loses out on this deal, and it is our view that the Federal Government really does not, that half of this goes to acquire environmentally sensitive lands that will be managed by the Federal agencies, whether it is an expansion of an existing facility, National recreation area in the case of the Forest Service, or conservation area in the sense of BLM. That is going to be public.

And a substantial part of the proceeds will go to local governments to provide for local parks, trails that are all going to be to the public benefit so we don't see this as quite the loss. I think there is kind of the sense back here in Washington that, gee, the Federal Government is going to be losing out on something. And as Congressman Ensign and I have pointed out, under the current land exchange policy, no moneys inure to the Federal Treasury.

In other words, that is kind of an offset for privately held lands that are being acquired, and the public lands that are being sold, in effect, simply provide the money to acquire these private lands for the expansion of whether it is a Red Rock or a Spring Mountain area. So no money actually gets to the Federal Treasury back here, and I think maybe there are some who have not had occasion to work with this that may not have a good understanding of that. But I think we protect the public interest in this.

Mr. COOLEY. Well, it sounds to me like it is a win-win situation for everybody, and I don't really understand what their big objections are, but maybe we will find out later on.

Senator BRYAN. As I say, this is a pretty broad spectrum. I mean, when you take a look at the people who are part of this task force, Mr. Cooley, and you heard all of that and I appreciate your coming to Las Vegas, I mean, this is a pretty broad group.

We have got environmentalists and private sector developers on one hand, local government, and the various Federal agencies working together. And I think we have got something that maybe if it needs to be fine-tuned, but I think it is about right.

Mr. COOLEY. As you know, after you have one of these public hearings or field hearings, you have individuals come up to you and, of course, express support and also not support of the same thing. Other than those few that came up, is there anybody else in Clark County that really is truly against this process?

I mean, if you look at this, it looks like a good example of what maybe we should be doing in other areas as well. But is there anybody who really has a valid—there seemed to be some people there that were very—you know, seemed to be that this was a terrible thing that we are doing. And, you know, I didn't quite see it that way from at least the testimony, but give me your perspective on it since you have really—

Senator BRYAN. Mr. Cooley, I think it would be fair to say that, you know, there is no piece of legislation ever proposed, and I don't think the good Lord himself could craft something that would get everybody's agreement so I don't want to suggest to you that there is a unanimity of opinion on the part of the very conceivable constituent.

One person who stopped me, perhaps stopped Congressman Ensign, and he was adamant that there needed to be a provision that was directed to prevent more growth, and it had to be in the bill.

And if it weren't in the bill, it was just a copout. I don't know if that gentleman stopped my friend or not, but he went on and on about it.

So there are some people that may have some specific point that they want crafted in there, but I think it is fair to say that when you get a broad spectrum of environmentalists—these were not just a couple people who were part of, you know, one group, this was a pretty broad spectrum of the environment—when you get the private sector—we are talking about the people who are doing a lot of the building, I mean, a lot of the homebuilders and people like that—brought in, and they said this makes some sense to us. And you get the people who are involved.

You will hear our local government entities. I have to tell you that it will come as no surprise that sometimes the county and the cities in Las Vegas have differences of opinion. Let me just leave it at that. They are all together on this. They are all together on this. I guess perhaps that might be suspicious—

Mr. COOLEY. That sounds like some piece of legislation. Yes.

Senator BRYAN. And so I think we have—honestly, I don't want to give you the impression that nobody—somebody else might want to extend the boundary further to the north or further to the south, further to the east or further to the west, but I can honestly tell you I think that there is a broad, deep consensus, and, obviously, you will have a chance to confer privately, if not publicly, with Congressman Ensign. I think he would say the same thing. This is something that—

Mr. COOLEY. So there is no real organized large group—

Senator BRYAN. No.

Mr. COOLEY.—that is objecting to this piece of legislation?

Senator BRYAN. None that I am aware of. None that I am aware of, sir.

Mr. COOLEY. Well, thank you very much for coming.

Senator BRYAN. Thank you very much. I appreciate your interest.

Mr. COOLEY. Mr. Chairman.

Mr. HANSEN. Thank you. Mr. Romero.

Mr. ROMERO-BARCELÓ. No, Mr. Chairman.

Mr. HANSEN. Thank you. You know, Senator, since our meeting we had, I thought back of the many years on this committee and recall the words of Mo Udall who used to always say, "If the delegation from that State, with the governor, preferably a few legislative leaders, are united in something," he said, "I would not want to oppose it."

It seems in this particular case we have unanimity among that group that we are talking about. So I feel that when they feel that way about something that maybe the rest of us could go along with it. I would hope that what differences you may have with BLM may be worked out and that we could move this legislation along without many problems.

The gentleman from Oregon brought up an interesting question. Is there a united group of folks out there against it? I don't see that either, but having a few of my constituents have ranches out in the Ruby Mountains and those areas, they have voiced to me a concern that goes something like this.

Look, you know, our county folks are great folks up there, and they sometimes have some very differences of opinion with things the Federal Government does, and so do I. I guess you do too occasionally. But they seem to say, well, gee, if we trade this, are we going to lose some of our great agricultural land and other land?

In other words, is the Federal Government going to have a bigger say, more power, more control up in the northern part of Nevada in deference to the people in southern Nevada? How do you respond to that if you are given that question?

Senator BRYAN. Well, I think the answer is no. With respect to the area, as you know, you have been there, Mr. Chairman, but this is the boundary. I think anyone who fairly would look at that boundary would say that is essentially part of the urban metropolitan area in Las Vegas.

The areas that are so defined really ought to be part of an urban expansion, and the fact that there are Federal lands, BLM lands, within those confines, that those really are going to have to be sold off. So with respect to that, I don't think that there would be anybody who would contend that there is an agricultural value that is economically sustainable in that area there. So I would think that those are not concerns that should bother anyone.

Of course, as you well know, with respect to the current land exchange policy, which can occur without the involvement of Congress, requires no legislation at all—as you know, with respect to the intrastate land exchanges, those are always concerns that the rural communities have. And over the years that I have been involved, we have tried to address those concerns.

Elko County is a particular county in point that was involved in a land exchange a few years ago that indeed was modified to take care of the concerns of the local community. But that is the status quo. That would not be affected by the legislation.

I think this makes a lot more sense than the land exchange program that we have because this really does give local government much more control in terms of—you know, by and large, the public looks to local government for planning and land-use decisions, and I think that is appropriate. This makes the local governments much more of a partner in that process.

As you know, currently under the land exchange process, it would be possible to ignore—and I am not suggesting that our friends at the BLM would do that—but they don't have to be—they don't have to sign off on that. Under this legislation here, they would, Mr. Chairman, as you know.

Mr. HANSEN. Do you envision in your own mind that some of the moneys would be used to go up into the cattle-depressed areas of northern Nevada and buy up some of those ranches, areas like that? Does any of that come through your head as you consider this?

Senator BRYAN. Mr. Chairman, to be honest, there are some land exchanges, and perhaps the Acting Director, Mr. Dombeck, can speak more specifically to that—there are some land exchanges currently proposed that would deal with some of those areas, not exclusively.

I am thinking of one that is involved near the Fallon area, the Lahontan area that I think you probably have been made aware of

with respect to the wetlands expansion and with respect to a visitor center that could be planned there. But that is independent of this legislation.

With respect to any particular proposal if this legislation goes forward, I don't have any that comes to my mind. The northern Nevada areas that are primarily mentioned would be the areas at Lake Tahoe. Congressman Ensign and I have had occasion to see the old Watell property. Watell owned a substantial amount of shoreline many years ago. Part of that to then Governor Laxalt was acquired for State purposes, but some was sold to the Dreyfuss people—the fund—Mr. Dreyfuss. And now he wants to make that available.

There are two separate parcels up there that have lake frontage that would be very desirable. There has been some interest in that being acquired as part of either a land exchange, and there are some proposals going forward, and in terms of an acquisition for public purposes, that is not controversial.

Whether or not the southern Nevada land should all be sold for that purpose has been raised as a question in the environmental community, but that doesn't address the concern. I don't think the rural agricultural folks would have any problem with that because it is not adaptable for agricultural purposes, and there has been no suggestion that they would be in any way diminished. It is a private estate right now that is not developed in an agricultural sense.

Mr. HANSEN. Thank you.

Mr. ENSIGN. Mr. Chairman, if you would yield——

Mr. HANSEN. Yes.

Mr. ENSIGN.—I had spoken to several of the people in northern Nevada, and we tried to address their concerns, first of all, by putting priority to the purchase of public environmentally sensitive lands in southern Nevada. That was one of the reasons for that language.

And the second is that we have, you know, a willing seller-willing buyer language in there so that it is not that the Federal Government is going to be going out and trying to purchase, or use eminent domain or anything like that to just take private lands. So I think that we address their concerns in an adequate way.

Mr. HANSEN. Senator Bryan, thank you again for coming to the committee.

Senator BRYAN. Thank you very much.

Mr. HANSEN. We appreciate it. It is always good to see you, sir——

Senator BRYAN. It is good to see you as well.

Mr. HANSEN.—and you are welcome to join us or whatever.

Senator BRYAN. Thank you very much.

Mr. HANSEN. Thank you, sir. Our next witness is the Acting Director of the Bureau of Land Management, Mr. Michael Dombeck. Mr. Dombeck, it is a privilege to have you with us today, and you will identify those folks who are with you I am sure. We will turn the time to you. How much time do you need?

Mr. DOMBECK. About five minutes for an opening statement, Mr. Chairman.

Mr. HANSEN. We will give you 10, and we will turn the time to you.

STATEMENT OF MICHAEL DOMBECK, ACTING DIRECTOR, BUREAU OF LAND MANAGEMENT; ACCOMPANIED BY MAITLAND SHARP, ASSISTANT DIRECTOR FOR PLANNING AND ASSESSMENT, BUREAU OF LAND MANAGEMENT

Mr. DOMBECK. Well, thank you, Mr. Chairman, and Members of the committee. I would like to introduce Maitland Sharp who is here with me as Assistant Director for Planning and Assessment of the Bureau of Land Management. I would like to just make a brief statement here and request that my full statement be entered into the record, Mr. Chairman.

Mr. HANSEN. Without objection.

Mr. DOMBECK. As you know, the Bureau of Land Management manages 270 million acres of public lands on behalf of all the Americans for a wide variety of values, natural, cultural, historic resources, commodity extraction, and recreation. And since the earliest days of our country, our Government has recognized that public lands should be managed for the National interest and close coordination with local government.

At the BLM, our top priority is fostering a collaborative working relationship with the local communities, not just when problems arise, but day in and day out. And experience has shown that we make the best land management decisions by giving everyone a seat at the table.

The Department of Interior believes strongly that the landownership pattern in the Las Vegas area needs to be addressed. In fact, our draft resource management plan for that area targets the vast majority of BLM lands within the Las Vegas metropolitan area for disposal in order to meet the growth needs of that community. We expect that plan to be completed by the end of this year.

In making decisions about the future of public lands, the Department has the responsibility by law to protect the public interest. It is because of this public interest that the Department strongly opposes H.R. 3127. We believe it amounts to an obligation by the American taxpayer to underwrite local growth in the Las Vegas Valley, one of the most prosperous and beautiful areas of the United States.

It appears the bill would divert Federal resources and funds to local interests offering a windfall to a few at the expense of many. This bill would require the disposal by sale or exchange of designated Federal BLM-managed lands in the Las Vegas area.

Half of the proceeds of these plans would be turned over to local entities. This transfer of funds would result in a significant loss to the Federal Treasury and diminish our capability to acquire other lands with significant resource values elsewhere within the State.

Specifically, the Department has five major concerns which my prepared testimony sets out in detail. The singlemost serious concern is that the bill requires that 50 percent of the revenue gained from the sale of public lands as designated be paid to State and local governmental entities.

The Department cannot support relinquishing 50 percent of the proceeds from land sales to State and local entities, and what I

have is I have a map of the area that I know Congressman Ensign knows much better than I since that is his home country.

But we have got a build-out area that I think there is tremendous agreement on between BLM's resource management planning process, which, by the way, is based on local input, and the lines drawn by the group here are very, very similar. That amounts to a little bit over 300,000 acres. Within that 300,000 acres, there is a total of about 100,000 acres of private land available for development.

Now, also within that 300,000 acres, there are about 52,000 acres of public lands that are available for public purposes. And, as a matter of fact, then of that 52,000, there are approximately 20,000 acres that are available for disposal. Some of the remainder of those acreages—there are about 12,000 acres that are involved in the six priority exchanges that are going on now.

There are about 5,000 acres involved in the noise abatement area for the airport. There are another 14,000 acres that are in some way encumbered or have been requested through the Resources and Public Planning Act purposes and things like that. So I brought this along so as we discuss this, we could sort of refer to the map and take a look at, you know, this very, very important issue in more detail.

Well, we all recognize the population explosion that is occurring in many western communities, be it Portland, Phoenix, or Palm Springs. Public lands want to be—we want to be an important part of the solutions. We need an effective land disposal program that can assist in orderly growth. Unfortunately, we feel that this legislation does not accomplish those goals.

The Bureau of Land Management agrees that we need to move to dispose much of the urban lands in the Las Vegas area when appropriate. Of the 100,000 plus acres of private and public lands that could be sold in the area, I have mentioned that about 20,000 are available for those purposes.

However, we feel that by turning over 50 percent of the assets that belong to all of the American people to the local area is not an equitable solution. Let me suggest that current law provides for profit sharing of land assets. For example, we routinely turn four percent of the value of sales of public lands over to local governments. Santini-Burton turns over 15 percent. We believe that is a more equitable deal for the American people.

Mr. Chairman, I appreciate the opportunity to appear before the committee, and we would be happy to answer any questions you or any of the committee Members have. Thank you.

Mr. HANSEN. Thank you. We appreciate your testimony. The gentleman from New Mexico has joined us, the ranking member of the committee. Mr. Richardson, Senator Bryan has given his testimony, and the panel members have questioned him. We will turn to you.

Mr. RICHARDSON. Thank you, Mr. Chairman. Director Dombeck, how many acres of public lands in the valley would be affected by this legislation, and what is the potential fair market value of these public lands?

Mr. DOMBECK. The public lands that are available for disposal without encumbrances is about 20,000 acres. And the value of the

lands—I guess I can't give you a specific value, but I can give you some examples. We have instances where the lands in that area have gone for, you know, anywhere from say \$10,000 to \$20,000 an acre, depending upon the size of the tract, the infrastructure locations, to as much as in excess of \$150,000 per acre. So if you would take an average of say \$50,000 an acre, it is possible that we are talking in excess of \$1 billion.

Mr. RICHARDSON. Would any existing proposal for exchanges or sales be affected by this legislation? Any existing pending proposals for exchanges or sales?

Mr. DOMBECK. Well, what we have is we have six proposals that are on the table now that there are exchange agreements on. Most of the controversy associated with them has been resolved, and those exchanges are highlighted there. And we assume that those exchanges would move forward.

Mr. RICHARDSON. Do you think that letting the local community determine when and how you dispose of public lands will have any impact on the value you receive for those lands?

Mr. DOMBECK. Would you please restate that?

Mr. RICHARDSON. Yes. In other words, do you think that letting the local community, as I understand it, determine how and when you dispose of these public lands will have an impact on the value that you get for these lands?

Mr. DOMBECK. Well, let me try to answer that a couple of different ways. I think the bottom line is yes, but let me say that the process that we use now and the process that we have proposed, we really work very, very closely with the local community. For example, under Santini-Burton, one of the requirements is that the Department and the local community agree upon disposal. So under Santini-Burton, that agreement would be required.

What we have is close participation with the local community as Mr. Chairman did give me a compliment that I really appreciate. Sometimes in the land management business with the controversies associated with it, we don't get many compliments, but our folks in Nevada are doing a wonderful job.

But we have a southern land exchange strategy that we are currently looking at, and we would hope to work this through with the delegation to basically have a planned approach as to what lands are available for disposal. And in this case, they have already been identified, but also what lands should be acquired for whatever reasons.

And from the standpoint of acquisition, I think it is important to understand that we are talking about lands like Red Rocks Canyon that really add value to the local community. In fact, those are one of the reasons that people want to come to the area because of the uniqueness of the area.

Mr. RICHARDSON. Well, let me say that I do think this is, obviously, a very good deal for Clark County, the local community, for the city of Las Vegas. They have got a lot of growth. I just want to make sure it is in the best public interest. It may be. Senator Bryan called me about this. I have deep respect for him. I just want to make sure that we are protecting the public interest too. And I apologize for arriving late. Are you in favor of this bill or not?

Mr. DOMBECK. We are opposed to the bill.

Mr. RICHARDSON. You are opposed.

Mr. DOMBECK. And let me just mention a couple of other points. In addition to the 50 percent of the value of the sale that would go to the local entity, additionally, we would have to turn over 4,600 acres in the airport noise abatement area. And I want to point out that we already have an MOU to deal with that.

And in addition to that, another 12 percent of that land would have to be turned over for local infrastructure—water lines, canals, that type of thing. And the issue there is we already have a mechanism to do that through the Resource Planning and Purposes Act. And we see that as nonnecessary.

If that type of land has to be patented, you know, we know the water runs downhill, and yet the survey of land is based on north-south so we would end up probably turning more over than is necessary specifically for those infrastructural needs. So really in addition to the 50 percent, there is another percentage on top of that.

Mr. RICHARDSON. Let me just thank the Chairman. I find it interesting. We hear a lot of people telling us how upset they are with Federal landownership. Here we have a case where the community is upset about land disposal. But, in any event, Mr. Chairman, I know what the delegation from Nevada is trying to do. They are protecting their area, and I am sympathetic. But I just want to make sure the public interest here is protected. I don't know if we can do this at this time, but I thank you for—

Mr. HANSEN. Thank you, Mr. Richardson. In regard to what Mr. Richardson said, and before I go to Mr. Ensign, let me just quickly ask a question. You got into this idea you oppose it for the 50 percent thing—50 percent partnership. That is probably the paramount reason that we are looking at. Would that be correct? What split would you think would be fair?

Mr. DOMBECK. Well, what we have, you know, in legislation and the precedents that we have is somewhere from four to 15 percent. Four under FLPMA, 15 under Santini-Burton is certainly—there is precedence for that.

And I just want to reaffirm that BLM is more than willing to sit down with the committee and Mr. Ensign and continue to work through this. We I think have a common goal—a very important common goal in that we all want an orderly disposal of this land to assist. It is in the interest of the American people, as well as the valley in Clark County for an orderly process to move forward.

Mr. HANSEN. So you would like to go back to established precedents on lands exchanges that you have done in the past rather than the percentage that we are talking about here. Would that be a correct statement?

Mr. DOMBECK. That is correct, sir.

Mr. HANSEN. Mr. Ensign.

Mr. ENSIGN. Thank you, Mr. Chairman. Mr. Dombeck—and I do want to work closely. I appreciate you coming to my office the other day to talk about this bill. I want to address first of all precedent setting that we had at the Apex project with Clark County. That was a 50/50 split, and it recognized the increased value with infrastructure. That was certainly higher than the four to 15 percent

that was certainly precedent setting, and why is this different than that?

Mr. DOMBECK. Well, actually, we believe there are several differences. I think the most important difference is that the Apex land was sold to the county at appraised value. And I think what I would like to do is maybe to ask Maitland Sharp since he knows the details of this to elaborate just a little bit more on the Apex situation.

Mr. SHARP. Certainly, Mike. It doesn't take much elaboration actually because you hit the nail on the head. These are essentially different kinds of cases. The Apex case did not take us across the Rubicon. It may have taken us across some other stream, but it did not establish a precedent for 50/50 cost sharing based on the full value of the undeveloped land.

The essential difference is that, as Mike said—Mr. Dombeck said, in the Apex case, Clark County bought the land at appraised value from the Federal Government. The 50/50 cost sharing was to be a kind of an adjustment factor after the land was sold by the county to private industrial users, the adjustment factor being found necessary and useful because of great uncertainties as to the actual appraisals and the actual value of this undeveloped property some distance from town.

Mr. ENSIGN. Right. And didn't it, in fact, take into account the infrastructure? That was the basic purpose of it and because that is what increased the value of the land was the infrastructure.

Mr. SHARP. Well, the infrastructure was one of the factors, but the essential difference is—

Mr. ENSIGN. Isn't that land almost worthless out there without the infrastructure?

Mr. SHARP. The land is worthless without demand, and demand and the willingness to pay increase its value.

Mr. ENSIGN. In the West, we get three-and-a-half inches of rain a year.

Mr. SHARP. Yes. I am well aware of that.

Mr. ENSIGN. OK. Without infrastructure out there, that land is basically worthless—comparatively worthless. OK? I mean, to an open market—to a bidding process. If you cannot provide infrastructure to a piece of property in the desert, there are not a lot of people who are going to pay a lot of money for that.

Mr. SHARP. Infrastructure certainly adds to the value, and it certainly adds to the marketability, but that's not the point.

Mr. ENSIGN. OK. And that is always good. Could we go on with another question?

Mr. SHARP. My point, Mr. Congressman, is to make sure that land was—

Mr. ENSIGN. Well, look, sir, I have a very short period of time. Hold on, sir. This is my time. I am controlling the time here. I want to address some of the problems, Mr. Dombeck, because I don't want to get argumentative. I just want to make certain points here, and I appreciate you recognizing there is value to the land the infrastructure does have because I think we agreed on that in our office.

You mentioned to get the fairest value to the public treasury—basically to the public interest on this, right now with land ex-

changes, we are not sure that the highest value comes. It is a very complex process. Only very few people are able to participate. The very most sophisticated companies are able to participate in the land exchange process.

And what this process opens up it would seem to me, even though the formula may not be exactly what you like, it opens it up to a much more diverse group of people because we have a competitive bidding process now. We have a lot more smaller investors that are less sophisticated in the land exchange process that can get involved, and the public treasury actually can get a better value or more of a value for this land that is being sold. Would you agree with that statement?

Mr. DOMBECK. Yes. As a matter of fact, I do want to mention though that I think some of the land that is acquired, we only acquire high value lands for—and I think Red Rocks has been mentioned several times here—is a prime example of land that is acquired. It passes the same test.

Is it in the public interest? Is it high recreation value land? Are there important historical or cultural resources there? Even though there may not be a direct dollar flow to the U.S. Treasury, there's long-term benefit to the American people and the people—

Mr. ENSIGN. Sure. We recognize that, but it is not a dollar figure.

Mr. DOMBECK. The other thing I want to mention though is what we—and I think there is agreement on this is our land exchange strategy that the State director is working toward with the local residents.

Really, it develops lands, a list, and a priorities of lands that need to be selected that should be in the public interest and held in the public domain for the people, not only of Clark County, the State of Nevada, and the United States, and that we need an orderly process to get there.

And this will also—calls for competitive exchanges and available to all proponents because right now we are sort of experiencing a land rush. In fact, the increase in business in BLM in the Las Vegas district, I don't know how they do it.

Mr. ENSIGN. I don't know how they do it either.

Mr. DOMBECK. I mean, there are hundreds of—

Mr. ENSIGN. And they do a fine job. I agree with you.

Mr. DOMBECK.—a whole host of these issues or rights-of-ways or a whole variety of things that—

Mr. ENSIGN. No. They are totally inundated there, and that is one of the things—as a matter of fact, you mentioned the land at the airport. Part of the problem the BLM is not able to withstand is the FAA regulations with the airport.

You know, they are supposed to have, proper uses for that, not including residential, and they are not able to stop that land from being developed right now. And that is the reason that the airport actually wanted that land. It is not just giving that land to the county or the airport.

And we are willing to work with you on a reverter clause. If this land doesn't go for what the FAA regulations State, then it would be reverted back to the Federal Government. And let us say that if we did like Denver did and place our airport outside of town or whatever, I would be willing to work with you on language that

says a reverter clause because we are not trying to just get, something for nothing here.

And the overall purpose of this bill is to recognize that first of all in taking all the infrastructure by the Federal land, Federal land does not pay the property taxes. The Federal land does not pay for infrastructure to go by.

And so the Federal land increases, and Ms. Mulroy will talk about later, the incredible cost per acre of taking that infrastructure when these land exchanges have occurred outside of, the normal—development process, hopscotching has occurred.

And we are trying to recognize that we as ratepayers and taxpayers in southern Nevada have already paid for the increased value of these public lands, not like a Federal freeway going by that has increased it, but the ratepayers in our infrastructure we have provided.

The vast majority of that has come from us, not the U.S. taxpayer. And because of that, we feel that we should get some back. Not all of it—we haven't asked for all of it. You know, we still want to be a good steward here.

The money we give back to the Federal Treasury though goes back to the public U.S. taxpayer—Red Rock, Spring Mountain lands—and we tried to recognize all of that. And that is why we feel that we actually came up with a good balance on the amount of money going back to the Federal Treasury in the exchange—you know, to buy land that is very, very sensitive, at the same time recognizing the value that we have at the local level, that we have increased the value of that land.

Mr. DOMBECK. Well, I would just like to mention one point here, and that is that sort of in defense of the U.S. taxpayer, there have been, you know, payments in lieu of taxes that come from the local—

Mr. ENSIGN. It is insignificant compared to what—it is insignificant. You know that. It is insignificant here. I mean, it is insignificant. It is not even measurable hardly. The payment in lieu of taxes here is insignificant, and you know that.

Mr. HANSEN. Thank you, Mr. Dombeck, for coming today. We appreciate Mr. Sharp being with you. Our next panel will be Mr. Paul Christensen, Clark County Commissioner; Patricia Mulroy, General Manager of Southern Nevada Water Authority; and Mr. George Lea, Public Lands Foundation.

Two of these witnesses were with us in Las Vegas, and we appreciated their testimony. And at this particular point, I have listened to these testimonies two or three times. I am going to turn the Chair to Mr. Ensign, and thank you for being here. And, Mr. Christensen, I hope you square her away on what the lemons are, would you?

Ms. MULROY. Am I ever going to live that down?

Mr. ENSIGN. [presiding] Well, since I am chairing this thing, let us just pass this bill right now while we are here. Let us just do it in order. Is five minutes enough for each one of you? OK. If you need more, we will take some more. Let us start with Mr. Christensen, go with Ms. Mulroy, and then Mr. Lea.

**STATEMENT OF PAUL J. CHRISTENSEN, CLARK COUNTY
COMMISSIONER, LAS VEGAS, NEVADA**

Mr. CHRISTENSEN. Congressman, I appreciate being here this morning, and I thank you for inviting me to testify again on this bill. I may need a tad more than five minutes because there are some things said here that need to be corrected and I—

Mr. ENSIGN. Since you are one of my constituents, we will probably give you a little more time.

Mr. CHRISTENSEN. I am kind of in awe here because normally I am sitting where you are, and you would be sitting where I am. And I would be questioning you, but I understand that, and I am a United States taxpayer. Boy, am I a United States taxpayer.

In August of last year, I proposed this resolution to the Board of County Commissioners. They adopted it, supporting the introduction of the Nevada Public Lands Management Act. I proposed the resolution because of the problems we face in local government when we have no involvement in the public lands disposal process and must pay for all the infrastructure impacts from privatization of public lands.

Right now, the BLM is considering over 20 applications for land exchanges that could privatize another 53,000 acres of land in the Las Vegas Valley. Six of those exchanges are on priority of the BLM and total over 13,000 acres of land. That is R-1 subdivision strength, 13,000 times four. That is four houses to the acre so you can do a little math and figure out how many homes and how much that impacts the infrastructure. That is many thousand water connection fees.

In 1980, the Santini-Burton Act was adopted as a mechanism to provide some order in a Federal-State partnership to the disposal of Federal land in Clark County. Under that Act, local government nominated the Federal land to be sold at auction and participate in sharing some of the revenue for infrastructure.

To date, only 2,696 acres have been privatized under Burton-Santini land sales, and that is almost done. Compare this to over 17,000 acres which have been privatized through land exchanges just in the last few years. The land exchange process contributes to urban development occurring on the fringe of the valley far from existing public infrastructure, roads, water service, sewer, schools, fire protection, et cetera.

Under the current system, local governments don't have much input into the process beforehand, and they end up having to provide public service to the lands that become private in places where it cost the most money.

Let me digress from my written testimony here for a second. We have passed resolutions on the county commission to oppose probably three that I am aware of of these gigantic land exchanges and got no response whatsoever. We were ignored.

While we have to make decisions about zoning and land use, increasingly, local governments' authority to deny land use is becoming limited by Court decisions. So it is easy to say, "Just use your local authority to deny land use applications," but the reality is that we really often can't.

When local governments build infrastructure systems, the value of Federal land is increased. It is our local residents, through taxes

and fees, that contribute significantly to the increased value of the Federal land. And it is the Federal Government that benefits from local investment.

We support the proposed legislation for several reasons. We see three major benefits. We get to be more involved in the process. Like Santini-Burton, we have a say in the process of land disposal. We get some of the financial benefit for our water development and for our parks. The people who have made the investment that causes the value of Federal land to increase are partially reimbursed for infrastructure costs.

The Federal agencies that serve our local community and our tourist population would get some financial help for improving and maintaining the National treasure located in southern Nevada such as Lake Mead, Red Rock, Mt. Charleston, and are impacted by the growth brought about when Federal land is made available for development.

There is one other issue I want to discuss with you. It has to do with the tortoise. I covered that in the hearing in Las Vegas, and we have had to spend a lot of money buying Federal lands for tortoises.

I am here as a Democrat. I have been a Democrat my whole life, and I have been in local government for roughly 23 years starting on the city council and then county commission. And we have got a real problem in Las Vegas with providing water to all this land that is being exchanged.

I would like to cover some of the things that—I am going to leave the written testimony because you all have copies of that. I am going to cover a couple of things that were covered before. You know, we talk about cooperation, and it is kind of interesting.

It took us three years to get environmental impact approval for a well transfer which became a public health issue because if we would have gone one more summer without being able to transfer that water right, which we owned from one portion of the valley to another, it was purely because of land environmental impact statements, and yet we see land transfers sail through in less than a year. It seems kind of strange.

Apex is kind of an interesting anomaly. That was a health safety issue too. That was brought about because of a vast explosion in the valley over toward Henderson that resulted in a fast-tracking method to move those people out. And one of the things that that points out very succinctly I think is the fact that that BLM land, that Apex was worth almost nothing.

We bought the land, and then as we sell it off, we give half to the Federal Government. We bought it at appraised value. The appraised value wasn't much because there wasn't much there. There wasn't much activity there. The land is out of the valley. It is not available for developers to build houses or businesses or anything else. And so it was an ideal place to move it for explosive purposes.

We also have a landfill out there that is the same situation. It is out there because of the fact that it is removed. That is exactly the problem. There is a freeway that runs through it. I heard someone ask the question about the freeway, how much that influences the value of the land. They asked I think Senator Bryan that.

The land is really not worth much when you run a freeway through it if there is nothing there. There are thousands of miles of freeway in the western part of the United States that hasn't increased the land value much because of the freeway running through.

The controversies on the current land exchanges that have been referred to without that it had all been settled have not really been resolved because the biggest controversy is how do we pay for water and other infrastructure to get there to take care of that building that takes place immediately on that land. And we have not been consulted on any of them. In fact, we have been turned down when we fire resolutions into them.

I would be happy to answer any questions and try and solve some of the questions that were asked of others that may not be on the local scene. I am the guy where the buck stops when you have zoning issues and so forth.

And like I said, we have turned down zoning and been sued in Court and had judgments rendered against us—restraining orders. And we have had to grant zoning. We had another one here not two weeks ago so we don't have the total control on the land use when it comes directly from the Federal Government.

[The prepared statement of Mr. Paul J. Christensen may be found at the end of hearing.]

Mr. ENSIGN. Thank you, Mr. Christensen. Ms. Mulroy—Pat.

**STATEMENT OF PATRICIA MULROY, GENERAL MANAGER,
SOUTHERN NEVADA WASTE AUTHORITY**

Ms. MULROY. Congressman, thank you for having me. My name is Pat Mulroy. I am the General Manager of the Southern Nevada Water Authority. The Authority is that unit of local government which represents all the water purveyors in southern Nevada.

As you know, we have significant water challenges in southern Nevada. Not only do we face the challenge of continually having to look for additional supplies for southern Nevada, but currently we are facing a crisis.

It is an infrastructure crisis; in a nutshell, we lack the capacity to deliver water to the residents in southern Nevada, particularly in those areas where people have bought homes and land that has been released by BLM land exchanges.

This bill will help provide us with the tools necessary to cope with the significant growth which is resulting in part from the Interior Department's land exchange policy which has released over 17,000 acres of land to developers in areas of the valley where our system has had no delivery capacity.

The Southern Nevada Water System was constructed in the 1960's and 70's by the Bureau of Reclamation and was sized for a maximum delivery of water from Lake Mead of 380 million gallons a day. For the past two summers, we have nervously watched as our peak deliveries have reached our system's capacity.

This summer will be a true test of our ability to manage the system so that everyone, particularly residents in the exchange areas, can receive the water that they need for health and safety reasons. Recognizing this system problem, the Authority agencies have embarked upon a crash plan to augment the treatment and delivery

capacity of the existing system by 100,000 gallons per day and to design and construct a new regional system to deliver future water supplies from Lake Mead.

The total cost of this capital program will exceed \$1.7 billion. The project will be constructed in phases to avoid rate shock. 1.7 billion is, however, an extremely large commitment for a community of just over a million people. One reason the cost is so high is that when we sat down to design a new system we found that we were forced to engineer a whole new water supply system to those areas of the valley that were far beyond the boundaries of our existing capacity.

Because the BLM land exchanges opened land that leapfrogged past existing development and infrastructure, they created demand we could not meet by simply running another extension of pipe or extend our existing system to provide water service to these areas.

Rather than grow like other cities, from the inside out, adding incrementally to our existing system similar to expanding ripples in a pond, we have been forced to design a stand-alone system that surrounds our existing infrastructure.

To illustrate these added costs for you, let us just take the example of the Las Vegas Valley Water District and the analysis it did on the costs for facilities we have built and will build by the year 2000 which are needed to provide water to land exchange areas in four major areas of growth in the western part of our system, costs which could have been avoided if the land exchanges had not occurred.

In our analysis, we assumed the same rate of growth. However, we located the growth in other areas or in privately held land which had been previously approved for development and where capacity existed within the system. Our analysis show that the added cost of providing water service to these land exchanges covering 9,700 acres was \$136 million. This is an average added cost of \$14,000 per acre for exchanged lands.

The irony is that much of this land was originally appraised and exchanged for \$10,000 or less per acre. Over the last 10 to 20 years, we have become extremely sensitized to government's responsibility to mitigate third party impacts that it creates by its actions. In this instance, southern Nevada water purveyors are the victims of the third party impacts associated with BLM land exchange policies within the Las Vegas Valley.

We have looked at whether we should follow the examples of the Central Utah Project, the Central Arizona Project, and California's Central Valley Project, and come to Congress and ask for 65 percent Federal cost sharing to help us expand our water project. We have recognized, however, that money is tight and that there is no money to be found in Washington these days. We are, therefore, resolved—we have to be resolved, we have no choice—to build a system without Federal assistance.

We believe, however, that we are justified in asking for some Federal assistance because the Federal Government is the single largest landowner who will benefit from increased land values resulting from the provision of water to these desert tracts. What we are seeking is a partnership with BLM in future land sales and/or exchanges.

In discussing our problems with you and the other members of our delegation, we proposed to expand upon two Federal statutes governing the disposal of public lands in Clark County previously approved by this committee. These statutes are the Santini-Burton Act and the Apex bill, already referred to by Commissioner Christensen.

This Federal legislation created 50/50 partnership between the Federal Government and Clark County in developing the Federal desert land at Apex. The Apex Project Nevada Land Transfer Authorization Act of 1989 recognized that BLM desert has no value if it cannot be developed. That statute created a real partnership with BLM which reimbursed the county for the value of the improvements which were made to the land.

Under the terms of this Act, Clark County provided the infrastructure to develop the industrial park and negotiated the sale of land parcels to private industry desiring to locate at the Apex Industrial Park. Both BLM and the county have shared the profits equally.

At this point, I would like to deviate from the script that was provided to you, and I need to set the record straight before closing my comments on some things that were said by the BLM. First of all, I think it is critically important for this committee to realize that the water district and the water agencies in southern Nevada are precluded by BLM from accessing the R&PP provisions.

In other words, we are treated—the public is treated like a private developer in southern Nevada when it comes to water infrastructure. We pay fair market value for every well site, for every easement, for every right-of-way. We are being asked to pay for all the land to provide the infrastructure to the lands that are being sold at a profit by the BLM. We have not gotten any land for free from the Federal Government.

Further, when I look at impact assessments, we all are very familiar in doing environmental assessments and environmental impact statements. And as I said earlier, we have become extremely sensitized to realizing what those third party impacts are. But when I look, there is a real disparity in how this happens.

Commissioner Christensen stated earlier that the health and safety of the residents of southern Nevada were nearly jeopardized here several years ago when it took the BLM three years to grant us permission to drill a series of wells which we critically needed to service the very exchange lands that they had released.

The State engineer had given us the right to transfer our water rights—these were not new water rights—to new wells to be able to meet summer peak demand, but BLM dragged its feet for three years, and we could not develop those wells. We came desperately close to having a real health and safety problem in that area. And at the same time that was occurring, EAs were being done for land exchanges that were going through in six-month timeframes.

In conclusion, H.R. 3127 will reestablish a cooperative working partnership between the Federal Government and local government as we seek to provide water service to the growth which will occur in the next decade through the continued disposal of Federal landholdings within the Las Vegas Valley.

We urge you to expedite the bill's enactment so that the terms of this cooperative partnership can immediately be applied to the next block of Federal lands that are released for development. Thank you.

[The prepared statement of Ms. Patricia Mulroy may be found at the end of hearing:]

Mr. ENSIGN. Mr. Lea.

STATEMENT OF GEORGE LEA, PRESIDENT, PUBLIC LANDS FOUNDATION

Mr. LEA. Thank you, Mr. Chairman, for the opportunity to provide our views here this morning on H.R. 3127. As a National, non-profit private organization of retired BLM people, the Foundation has a unique body of experience and knowledge in public land management. And we believe we offer an objective nonpolitical, non-bureaucratic view of what is really happening to the public lands.

It is important for the committee to understand also that while we support the Bureau on every occasion we can, we are not a captive of the agency, and we often find ourselves at odds with the Bureau.

Our membership is very familiar with the land situation in Las Vegas Valley, and it is typical of many other Bureau areas where the land pattern is the result of 200 years of disposal without a plan. In the Las Vegas Valley, we are very familiar with the arrangement over the past 15 years with the Clark County Planning Commission and the Bureau's work hand-in-glove with the county planning commission in trying to have an orderly development of the public lands and of the valley in an orderly fashion.

We agree, as does the Bureau, that the public lands in the valley ought to be disposed of in an orderly manner and one that is in the public interest. And to our knowledge, the agreement with Clark County is working. We hear testimony here this morning that it is not. Perhaps it could be improved.

As recently as January, the Bureau entered into a new updated MOU, Memorandum of Understanding, with Clark County to bring it up to date, the purpose of which was to strengthen relationships between the Bureau and the Clark County Planning Commission.

So as we look at this bill, Mr. Chairman, we just don't see any need for further legislation, that the Bureau has plenty of authority to orderly dispose of the public lands remaining in the valley. And we see little need for further legislation.

As written, H.R. 3127 does ask the American taxpayers to underwrite the development of one of the most prosperous areas in our country. There are several major problems with the bill as is written; for example, the discussion here this morning about the 50 percent of the receipts going to the State. We believe that the pattern has been set by FLPMA with the four percent or by the Burton-Santini 15 percent. That range is a more appropriate range for distribution of receipts.

The bill also directs that 12 percent of the public land be given free to local governments. This land is available today through the Recreation and Public Purposes Act. In fact, the Bureau has issued over 200 recreation and public purposes instruments covering over 4,000 acres of land to local entities for public purposes.

The Bureau estimates, by the way, that these recreation and public purposes instruments have a value of about \$450 million of assets that have been added to the community's assets. So with the Recreation and Public Purposes Act, we believe that there is little need for this provision in the bill.

The bill also directs that lands, using the Recreation and Public Purposes Act be given for flood control and water treatment facilities. Here again, FLPMA provides rights-of-way provisions to handle these linear projects, and we think that is the most appropriate way to assist with the water and flood control structures.

The bill also provides for a gift of 5,300 acres to the Las Vegas Airport. Now, it is my understanding that those lands are already held to prevent development. They are under the flight pattern, and they are being held so they will not be developed and create further problems. So, again, we see little need for this provision in the bill.

Perhaps the only value as we see the bill is it brings up the concept of a public land trust fund. We do not support the fund suggested. We suggest that the receipts be—instead of going to the Bureau of Reclamation Fund under the Reclamation Act of 1902, that those funds go into a public land trust fund for the Bureau to use to expedite other land exchanges and land sale programs and to be available for the Bureau for that purpose.

In summary, Mr. Chairman, we see the relationship between the county planning commission and the Bureau as working quite well. Now, perhaps it can be improved. All these relationships could be improved, and that would be fine.

As we see it, both the planning commission and the Bureau are under the same types of pushes and tugging and pulling to get this land into private ownership, and the Bureau stands ready, as I understand it, to work with the commission in that respect, and perhaps the bill could assist that relationship in some fashion. I would be happy to answer any questions you might have.

Mr. ENSIGN. Thank you, all of you, for your testimony. First of all, I want to acknowledge Rick Holmes. Your exact title—basically Planning Director. I know you are Director of Comprehensive Planning—

Mr. HOLMES. That is correct.

Mr. ENSIGN.—in Clark County. Rick, I wonder if you could start by just addressing a couple of the points that Mr. Lea brought up about the recreational and planning uses in R&PP and what Ms. Mulroy addressed in there. And the second thing is whether or not and how well the exchange process is working for your planning of the Las Vegas Valley?

Mr. HOLMES. Thank you for allowing me to join the panel, Mr. Chairman. For the record, I am Richard Holmes, Director of the Clark County Department of Comprehensive Planning. And those are two points I think deserve a little more attention.

First, on the recreation and public purposes side, we have found examples of major exchanges being more or less rushed through the system where our public agencies are really unable to keep up with the pace of which events are happening.

One example, with the American Land Conservancy Exchange, the regional flood control district had a master plan. This had gone

through the BLM process. They had a general idea of the flood control right-of-ways which were needed but not at the stage of detailed engineering drawings, and that is really what they were confronted with in the BLM process was they were told they needed to have a right-of-way on the ground—a detailed engineering plan.

And the BLM basically could not reserve a general right-of-way in the master plan for them. So they, in fact, had to end up negotiating with the American Land Conservancy for a public purpose; that is, a regional flood control facility.

This is one piece of the bill we hope to overcome with our language that deals with the set-aside and reservation for public purposes because, in fact, there aren't exact detailed engineering drawings for all regional flood control facilities, for all regional transportation commission facilities.

Many of the areas have to develop a character before you know precisely how many elementary schools and exactly the park locations. So we need that flexibility as public agencies to go along with the private development which develop the remaining land.

Secondly, the Recreation and Public Purposes Act, as Ms. Mulroy pointed out, does not apply to all kinds of public facilities and services. So, therefore, we think that while the land is Federal but before the exchange that the public agencies should be entitled and have access to the Federal lands.

This was the process we had under the Santini-Burton Act. This is where we jointly nominated land with BLM for disposal, and Clark County went through a fairly extensive process of internal coordination with our fire department, the parks recreation, water, sewer, school district, all the agencies, to be sure that before land was nominated for sale that land needed for public purposes was identified first.

Secondly, that leads me to comment about the exchange process and affecting our planning. Clark County, in 1983, adopted a very general comprehensive plan but one that dealt with some of the basic issues of growth management. And we have put together what we call our community district boundaries and subsequent detailed land-use plans that really get into development policies that relate around adequate services, water, sewer, drainage, flood control.

Those basic services need to be in place, and also that revolves around having the ability from our other service providers, whether those are fire departments or school districts, to keep up with the growth. Therefore, we look for a very compact or contiguous development pattern, one that is not excessively difficult for us to service by a sprawled or leapfrogged pattern.

We find that again through Santini-Burton that we had a very good link between the Federal land disposal and our planning and development process. That is something that has been lost entirely with the land exchange procedures, particularly in the last four or five years. We have seen massive exchanges well out beyond our service limit boundaries.

And even though a developer may have the ability to extend a road over a government patent easement, the unique monopoly service provider like a sanitation district really is in many ways obligated at the private owner's expense to let them extend or connect

to a public utility. We find that we have lots of growth pressures in areas that are well beyond our other planning services and functions such as I mentioned for police, fire, parks, and schools.

Mr. ENSIGN. Thank you. Mr. Lea, I just want to quickly address a couple of things in your testimony. First of all, have you spent very much time in Las Vegas Valley?

Mr. LEA. Myself? Yes.

Mr. ENSIGN. Have you been there at all?

Mr. LEA. Oh, yes, on several occasions.

Mr. ENSIGN. OK. Have you talked to the local environmental community Mr. Lea, No.

Mr. ENSIGN. Have you talked to the local BLM people. Yes. I talked to the district manager a couple days ago.

Mr. LEA. Yes, I talked to the district manager a couple of days ago.

Mr. ENSIGN. OK. And what was his feelings on this bill?

Mr. LEA. Well, his feelings are about the same as mine—as ours, sir. His feeling is that—

Mr. ENSIGN. You said that you spoke to Mike Dwyer? You spoke to Mike Dwyer about this bill?

Mr. LEA. Yes, I did. Yes.

Mr. ENSIGN. And he said his feelings were the same as yours?

Mr. LEA. No, no. What I am saying is he is agreeing with my testimony here, that the relationship that he has with the county he feels is adequate—is productive.

Mr. ENSIGN. Are you sure you are adequately portraying the same Mike Dwyer that sat on our Public Lands Task Force that was part of drafting this bill?

Mr. LEA. I can't comment on it. I can't say.

Mr. ENSIGN. We worked very closely—the Public Lands Task Force, by the way, who Senator Reid and Senator Bryan had their own and I had my own. In other words, you had two Democrat Senators over there and one Republican Representative there basically with the same people and came up with almost an identical bill here because we worked very closely with not Washington BLM but local BLM, the people that are on the ground there because they identified the problems with the local exchanges that they experienced right now.

There are problems with the local exchange process that we have. There are problems that they understand. They see it every day. They live in this valley. They know the problems that we have associated with growth. We just received from Pat Mulroy our recent projected increase in our water rates this summer.

OK. We understand what is going on in the Las Vegas Valley because we live there, and that is why we included the BLM from the local area. We included environmental groups from the local area. We included developers. We included local governments. We included local utilities.

And we came up with a virtually unanimous solution. Not everybody is exactly pleased with every single piece of the bill, but everybody is supporting, including the local BLM, this bill. That is why I asked you did you talk to the same Mike Dwyer that I talked to?

Mr. LEA. Well, I talked to Mike Dwyer, and he recognizes that all these relationships between the Bureau and the local communities can be strengthened and improved. He does feel that the relationship he has with the planning commission is sound, and they are very cooperative and talk frequently and openly.

Mr. ENSIGN. OK. You are a realtor now. Is that correct?

Mr. LEA. Currently, yes.

Mr. ENSIGN. OK. As a realtor, if you were out selling land in the Las Vegas Valley, would it be worth more or less without infrastructure? In other words, if you had a piece of land out there that didn't have any infrastructure to it—and now you bring infrastructure to it. Is that land going to increase in value in the desert?

Mr. LEA. Oh, sure.

Mr. ENSIGN. No?

Mr. LEA. Sure.

Mr. ENSIGN. OK. Sure. OK. And do you think in an area that only gets three and a half inches of rain a year, would that be a significant increase in the value of the land?

Mr. LEA. Surely.

Mr. ENSIGN. As a realtor now, would you say that that increase would be more than doubled? You are talking about desert land without water, without infrastructure—now has infrastructure, now has roads, now has water, now has sanitation, would you say that that is at least doubled?

Mr. LEA. Sure.

Mr. ENSIGN. Maybe more?

Mr. LEA. Probably more.

Mr. ENSIGN. So 50 percent of that land going back to the rate-payers that had to pay for that infrastructure to get there in the first place maybe isn't so unreasonable or is that unreasonable?

Mr. LEA. Well, I am sorry. My mind doesn't track that way. I mean, the infrastructure was brought there because people demanded that it be brought there. It was the people that came to the valley that caused the infrastructure.

Mr. ENSIGN. No. The BLM is the one who did these exchanges without—haven't you been listening to the people here?

Mr. LEA. Surely.

Mr. ENSIGN. Listening to their testimony? This is not what they requested. This is not what the Clark County Commissioners had requested, that this land be brought there. The water district did not say, "You know, why don't you put this piece way out there that we can pay for all this infrastructure to go way beyond where we want to go currently and increase the rates for the rest of our ratepayers."

Mr. LEA. Well, sir, I would have to say I respect the testimony of these people here and Mr. Holmes particularly, the people who work every day with this situation. And I am sure that their testimony is accurate, and I would have to say from that standpoint that there is a need for closer coordination between the Bureau and the planning commission.

Mr. ENSIGN. OK. Thank you. Ms. Mulroy, I wonder if you could address a couple of things. First of all—and I appreciate you had excellent testimony talking about, what you are dealing with there

with the Southern Nevada Water Authority and how much it cost the ratepayers.

Also, could you address typically what has happened with other Federal water projects in the past? If this was a typical water project of the \$1.7 billion, how much would the Federal Government pay of that?

Ms. MULROY. It depends on which of the water projects I want to look at, but if I look at the most conservative, the Federal Government most recently has paid 65 percent of the costs for those kinds of large infrastructure items.

Mr. ENSIGN. Sixty-five percent of \$1.7 billion?

Ms. MULROY. In fact, this is the first large water project of this size and magnitude that is being paid for exclusively by the local—

Mr. ENSIGN. I am not a mathematician, but that is somewhere close to \$1 billion.

Ms. MULROY. 1.7 billion.

Mr. ENSIGN. No, but I mean the Federal Government's share would be somewhere around \$1 billion?

Ms. MULROY. Over \$1 billion. Yes.

Mr. ENSIGN. You heard testimony from Mr. Dombeck that said that the value of this land—he is, you know, estimating possibly somewhere around \$1 billion total for the total value of this land.

Ms. MULROY. Right.

Mr. ENSIGN. Therefore, the Federal Government's share at 25 percent, and that is if everything goes perfectly, total share would be—because we have also reserved out 4,600 acres for the airport. We have reserved out the 12 percent of lands. So it is not anywhere close to that so maybe the Federal Government's share is somewhere of 100 to 150 million of that instead of \$1 billion. I don't know. Does that sound like a decent deal for the American taxpayer?

Ms. MULROY. Well, even using your number, I don't think the American taxpayer is losing in this proposition. But as Mr. Holmes will tell you, the \$1 billion figure is inflated from what it really is.

Mr. ENSIGN. I agree with you. I am just trying to use his numbers.

Ms. MULROY. Right.

Mr. ENSIGN. But even using his numbers, it is still a pretty good deal for the American taxpayer considering that it is not the American taxpayer that has increased the value of this land in the first place.

Ms. MULROY. Right, and especially when you add the irony to it that in order to provide the \$1.7 billion in infrastructure, we are then expected to pay the Federal Government for the privilege of putting the lines in to service the lands that they released.

Mr. HOLMES. Mr. Chairman, if I might just add to that, yes, we certainly disagree with the \$1 billion number. Looking at the '94-'95 land exchanges, that totaled 4,500 acres more or less. That is a significant amount of property from BLM's figures. That came in at around \$10,000 per acre. These are lands, as I pointed out before, on the fringes of our metropolitan area, well beyond services.

Secondly, Mr. Dombeck's number was based on the full 20,000 acres that is available to BLM today, although we do have some-

where between 12 and 13,000 acres under active land exchange. Depending on the speed to which this bill can move through Congress, there is a good chance that three-quarters of that land would be privatized before being factored into the equation here.

So I can see his logic somewhat, but I think the numbers, particularly with the speed and size of the pending land exchanges, I think it is going to be substantially less—perhaps only 10 or 20 percent of the number he gave you.

Mr. ENSIGN. OK. Paul, could you just address real quickly, Mr. Lea made comments about the airport. Could you address once and for all, you know, the 4,600 acres that we are trying to basically reserve for the airport?

By the way, if anybody recalls, the money for this that is sold for use under current FAA regulations, that money goes to purchase land at Lake Tahoe for the public, the U.S. taxpayer 85 percent of that does. But can you address the problems that we have in Clark County with keeping out residential use—residential development in that area under the current management with the BLM?

Mr. CHRISTENSEN. Well, I am not sure I know exactly where you are going, but the airport situation is very simple. We get tremendous pressure from people all the time. Some of the most prestigious subdivisions in the community are under the flight path of the airport. The airport is now the eighth busiest in airplane movements in the world, and it is the lifeblood of the community. And our chance of moving that airport out of the valley are too slim and none.

We don't have the control over some of that land. When that land falls into private hands, they go to Court and get the land zoned for whatever they want to do with it. And unless it is in a danger zone, there is not much we can do about it. And if we do have to do something about it, we have to buy it. We have spent millions of dollars on land around the airport in order to protect people against the noise and to protect—

Mr. ENSIGN. Right. And the purpose of what we are trying to do here is to make sure that the infringement doesn't happen on the residential areas that the BLM is not able to keep out. That is the purpose for this bill.

Mr. CHRISTENSEN. That is correct, and we have had that problem in the past.

Mr. ENSIGN. You have that problem. Right.

Mr. CHRISTENSEN. We have bought millions of dollars worth of property around the airport to protect it, to protect it from noise so that we can keep our airport expanding to feed the economy that is expanding with BLM land transfers and so forth.

Mr. ENSIGN. Rick, do you want to comment on that too?

Mr. HOLMES. Yes, only to strengthen the point that we have in place some very stringent land use noise compatibility requirements. Those go as far as we can with the authority provided by the State and really by the constitution which relates to the public health and safety aspects.

So areas which are, as Commissioner Christensen pointed out, dangerous for housing, that is easy to control. For areas which are in the nature of generating noise complaints as much of this area

would be if disposed of by BLM who, by the way, cannot put any form of deed restriction to prohibit residential use, that area is very much of concern to us.

Mr. ENSIGN. I think that is an important point that the deed restrictions cannot be done by the BLM, and that is exactly what we are talking about here. Why we need the county to control this land, and we are not trying to get something for free from the Federal Government here.

What we are trying to do is make sure that it doesn't infringe on the airport and the noise abatement areas. And that is the reason I think that we are all willing to work with the BLM to address language that if the use isn't what we are intending under FAA regulations, then we can have a reverter clause that it goes back to the Federal Government.

I don't think any of us in the local area are opposed to doing that if people are afraid that we are just going to be giving this land to the county. That is not the intent of this at all. The intent is to make sure that our airport is not infringed on.

Mr. CHRISTENSEN. Congressman, we would have had Mr. Broadbent from the airport here today, but he has to stay in Las Vegas because the FAA Administrator is there with him today working on some airport problems, or he would have been able to address exactly that problem. And he is the man that has been working with the BLM on that piece of ground which, incidentally, is Burton-Santini ground. It is not the other. It is not the nonBurton-Santini area. That is the remnants of the Burton-Santini Act.

Mr. ENSIGN. Right. Well, I want to thank all of you for your excellent testimony today, and I appreciate once again Mr. Hansen for having this hearing. And the hearing is adjourned.

[Whereupon, at 12:00 p.m., the subcommittee was adjourned and the following was submitted for the record.]

THE PREPARED STATEMENT OF DR. BRIAN CRAM

On behalf of the Clark County School District and the more than 170,000 public elementary and secondary school students attending the more than 180 schools located throughout the 8,000 square miles of Clark County, I wish to have the record show that we support the enactment of H.R. 3127, the Southern Nevada Public Land Management Act, and commend Representative John Ensign for its introduction in the House of Representatives.

Less than three weeks ago, I had the honor of appearing before your field hearing in Las Vegas and at that time shared with you the extraordinary growth that southern Nevada is experiencing. Since that hearing, more than 600 new students have arrived at our doors. That equates to an elementary school full of children. I draw your attention to the fact that, to keep up with this growth, we must open the equivalent to one classroom each day of the week—Saturdays, Sundays, and every day of the summer included. A similar challenge faces our sister governments in their efforts to bring the infrastructure on at the rate necessary to sustain this phenomenal growth.

Under the authority of the Recreation and Public Purposes Act, the Federal Government has been a valuable partner with the Clark County School District in allowing us to acquire some of the land needed to build schools from the vast holdings of land controlled by the Federal Government. It is a fact that, without this assistance, the Clark County School District would not have been able to cope with the enrollment growth we have consistently experienced over the past three decades. H.R. 3127, the Southern Nevada Public Land Management Act, allows for the continued orderly exchange of this Federal land for private found to be more suitable for the use by our institution. In addition, the bill continues the provision found in Burton-Santini by providing 5 percent of the proceeds of BLM land sales for the use

in education program. In a State where revenue sources to support education are limited yet growth and the impact of Federal presence is substantial, the several million dollars of benefits received to the State school account have materially contributed to the improvement of the education in the State of Nevada. We encourage you to strongly support the retaining of this provision in H.R. 3127—for you can see the benefit of its inclusion every day in the classrooms of Nevada schools.

I join with the leadership of my fellow government officials in supporting H.R. 3127.

PREPARED STATEMENT OF MR. PAUL J. CHRISTENSEN

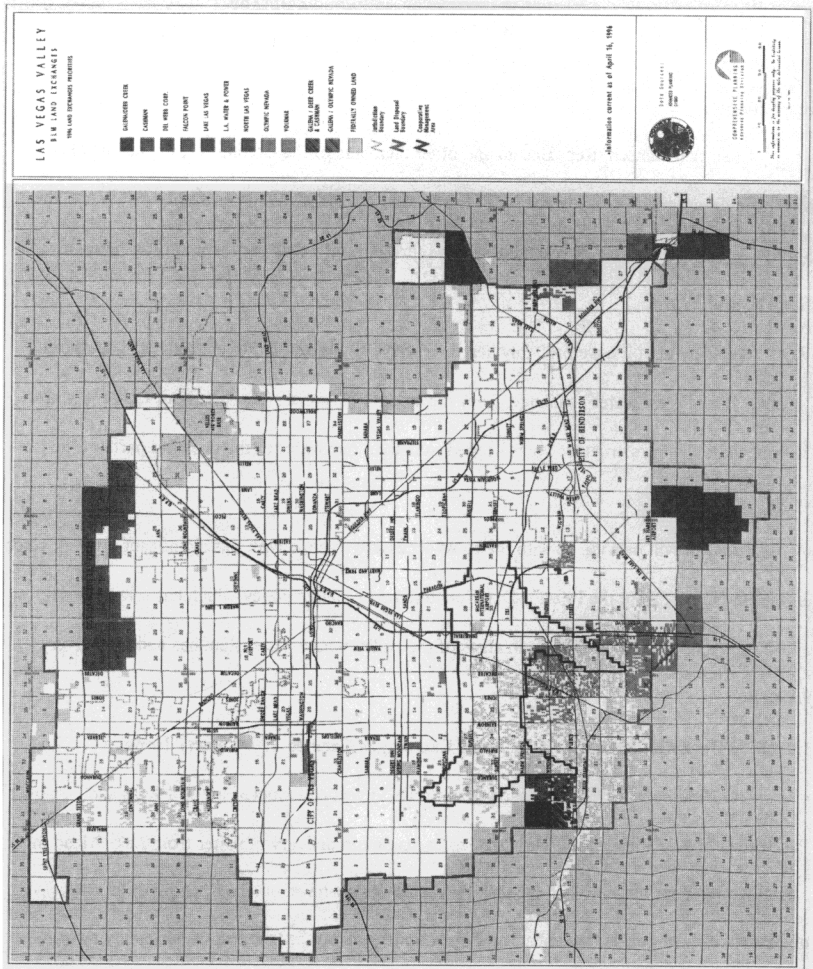
LAS VEGAS VALLEY BLM LAND EXCHANGES

1996 LAND EXCHANGE PRIORITIES
AGREEMENT TO INITIATE*

PROJECT PROponent	BLM FILE NUMBER	LOCATION OF OFFERED LAND (TO BE FEDERALIZED)	OFFERED LANDS ACHIEVE	LOCATION OF SELECTED LAND (TO BE PRIVATE)	SELECTED LANDS ACHIEVE	PROBLEMS	STATUS OF EXCHANGE
GALENA/DEER CREEK	N-3327	DEER CREEK, SPRING MOUNTAIN WMA	\$3 MILLION/1% CREDIT	T225R06E, PORTION OF SEC 7, 10, & 16; T225R06E, PORTION OF SEC 11 & 20	660	THIS IS TO CLOSE OUT THE GALENA EXCHANGE. CONFLICT WITH SELECTED LANDS.	BLM RECEIVED LIST OF ADDITIONAL SELECTED LANDS (LAND ACQUISITION)
CASHMAN	N-3379	LEE CANYON AND MOUNTAIN WMA	1,700	T225R06E, PORTION OF R. 17 & 18	651	ACREAGE WILL PROBABLY CHANGE BASED ON APPRAISAL	COMPLETION PENDING
DEL WEBB CORP.	N-6167	CHURCHILL COUNTY & MOWPA	1,400	T225R06E, PORTION OF SEC 12, 13, 14, & 24; T225R06E, PORTION OF SEC 5, 7, 17, 18, 29, & 30	4,975	POTENTIAL UNWINDING CLAIMS CONFLICT. CHURCHILL COUNTY LANDS ARE PENDING.	AGREEMENT TO INITIATE APPROVAL
FALCON POINT	N-3331	SOUTH END OF RUBI LAKE NEAR ELKO	1,400	T225R06E, PORTION OF SEC 2, 11, & 14 (RAILROAD PASS, NO.)	716	DISPOSAL SITE LOCATED ON OFFERED LANDS. SELECTED LANDS HAVE A HIGHER VALUE THAN OFFERED LANDS.	PENDING SURVEY. APPROVAL EXPECTED 5/10/06
LAKE LAS VEGAS	N-3359	CALICO BASIN	86	T225R06E, SEC 26, 27, & 34	1,200	EXCHANGE ON HOLD. DISTRICT COURT CASE.	PENDING MAPPING PROPOSAL
OLYMPIC MANAGEMENT	N-3164	LAND IN LAS VEGAS, PORTION OF ANTISIPY STATE LAND NEAR LAS VEGAS WASH.	380	T225R06E, PORTION OF SEC 6, 8, & 22; T225R06E, PORTION OF SEC 7, 16, 20, & 21; T225R06E, PORTION OF SEC 5, 8, & 9	3,784	SOME SELECTED LANDS ARE WITHIN AIRPORT CMA AND CDD BOUNDARY	TEASAMIN REPORT PENDING FINAL SIGNATURE FROM STATE DIRECTOR
VOLKMAR	N-3362	WEST END OF SPRING MOUNTAIN RED ROCK CANYON NATIONAL CONSERVATION AREA	548	WEST LAS VEGAS VALLEY	1,500	NONE KNOWN	EA PENDING APPROVAL
TOTAL					13,236*		

LAS VEGAS VALLEY BLM LAND EXCHANGES
LOW PRIORITY

PROJECT PROPONENT	BLM FILE NUMBER	LOCATION OF OFFERED LAND (TO BE EXCHANGED)	OFFERED LANDS ACREAGE	LOCATION OF SELECTED LAND (TO BE EXCHANGED)	SELECTED LANDS ACREAGE	PROBLEMS	STATUS OF EXCHANGE
AMERICAN LAND CONSERVANCY	N/A	LAND IN LATE TAOS, PORTION OF DRYTUS ESTATE. SCATTERED PARCELS IN MOUNTAIN VALLEY.	19,270	SOUTHWEST LAS VEGAS VALLEY	6,890	SELECTED LANDS OUTSIDE OF COO BOUNDARY	NO AGREEMENT TO INMATE
BROOKEN	N-17374	LATE MEAD NATIONAL RECREATION AREA	334	T225R9E PORTION OF SECT 21 & 23	18	NONE KNOWN	EXCHANGE ANALYSIS PENDING. PARK SERVICE HAS LEAD
DOYLE	N/A	ST GEORGE, UTAH	UNAVAILABLE	MESQUITE, NEVADA AND LINCOLN COUNTY	28,640	REQUIRES LEGISLATION BY U.S. CONGRESS	NO AGREEMENT TO INMATE
KINGS CANYON	N/A	NORTHERN NEVADA	1,880	SW LAS VEGAS VALLEY	1,180	NONE KNOWN	NO AGREEMENT TO INMATE
LEWIS	N-17385	LINCOLN AND CLARK COUNTY	1,100	NONE IDENTIFIED	920	PROPOSED LANDS LOCATED IN AN AREA OF HIGH RISK TO OBLIQUE TO AN BASE LOSS	FEASIBILITY REPORT PENDING
LOS ANGELES WATER AND POWER	N/A	CALIFORNIA COAST AND NEAR SECELY HILLS	100	T225R9E PORTION OF SECT 9, 15, 16, 22, & 35	1,880	REQUIRES LEGISLATION BY U.S. CONGRESS. AREA OF CRITICAL ENVIRONMENTAL CONCERN FOR MOUNTAIN TOWNSHIP AND DISTRICT	THERE IS ONLY A LETTER FROM THE BUREAU OF LAND MANAGEMENT REGARDING FEASIBILITY REPORT PENDING
NEVADA BIGHORNS UNLIMITED (PERMA-BLT)	N-58375	DOUGLAS, LION, AND WAGNER COUNTIES	3,480	T225R9E PORTION OF SECT 12, T225R9E EASTERN HALF OF SECT 29	160	LANDS TO BE EXCHANGED ARE WITHIN COO	CARSON CITY BLM HAS LEAD. PENDING APPROVAL
NEVADA LAND AND RESOURCE CO.	N/A	CHURCHILL, LAMBERT, WARDHOE, PEEBING, AND LION COUNTIES	130,000	NE AND S LAS VEGAS VALLEY	3,050	NONE KNOWN	NO AGREEMENT TO INMATE
NORTH LAS VEGAS	N/A	UNAVAILABLE	UNAVAILABLE	T125R9E SECT 14, 16, 17, 18, 19, 26, & 31; T225R9E SECT 14, 16, & 31	7,500	SEEKING OFFERED LANDS FOR EXCHANGE	NO AGREEMENT TO INMATE
RHODES DEVELOPMENT	N/A	RHODES, WINTER MOUNTAIN NATIONAL FOREST	470	SW LAS VEGAS VALLEY	1,380	NONE KNOWN	NO AGREEMENT TO INMATE
SUMMERLIN CORP.	N-58468	T225R9E PORTION OF SECT 16, 17, & 32	770	T225R9E PORTION OF SECT 11, T225R9E PORTION OF SECT 10 & 22	930	NONE KNOWN	ON HOLD FOR PROPOSALS REQUEST
DON WILLIAMS	N-58541	T225R9E PORTION OF SECTIONS 27 & 34 (WHITE BEAUTY MINE)	205	T125R9E PORTION OF SECT 20, 27 & 29; T225R9E PORTION OF SECT 26	215	DAMAGED OFFERED LANDS MUST BE REHABILITATED	LOW PRIORITY
TOTAL			159,1112		*51,3752*		



PREPARED STATEMENT OF MS. PATRICIA MULROY

Introduction

Chairman Hansen, Rep. Ensign and other members of the Committee, my name is Pat Mulroy and I am the General Manager of the Southern Nevada Water Authority (SNWA). The SNWA is that unit of local government which represents all water purveyors in southern Nevada.

Growth and Water

As many of you have probably heard, we have significant water challenges in southern Nevada. Our biggest water challenge is not the amount of water Nevada has but rather it is how do we handle the infrastructure costs needed to deliver our water to the growing parts of the valley.

This bill will provide us with the tools necessary to cope with this significant growth which is resulting in part from the Interior Department land exchange policy which has released over 17,000 acres of land to developers in areas of the valley where our system has had no delivery capacity.

Leapfrog Development Caused by Land Exchanges Creates Third Party Impacts

The Southern Nevada Water System (SNWS) was constructed in the 1960's and 70's by the Bureau of Reclamation and was sized for a maximum delivery of water from Lake Mead of 380 million gallons per day. For the past two summers we have watched nervously as peak deliveries reached our system capacity. This summer will be the true test of our ability to manage the system so that everyone receives the water they need and expect. Recognizing this system problem, the SNWA agencies have embarked upon a crash plan to augment the treatment and delivery capacity of the existing system by 100,000 gpd and to design and construct a new

regional system to deliver future water supplies from Lake Mead. The total cost of this capital program will exceed \$1.7 billion. The project will be constructed in phases to avoid rate shock. \$1.7 billion is however a large commitment for a community of just over a million people.

One reason the cost is so high is that as we sat down to design our new water system we found that we were forced to engineer a whole new system to supply water to those areas of the valley that were far beyond the boundaries of our existing system. Because the BLM land exchanges opened land that leapfrogged past existing development and infrastructure, they created demand we could not meet by simply running another extension of pipe or extend our existing system to provide water service to these areas. Rather than grow like other cities, from the inside out, adding incrementally to our existing system similar to the expanding ripples in a pond, we have been forced to design a new stand alone system that surrounds our existing infrastructure.

To illustrate these added costs for you, the Las Vegas Valley Water District did an analysis of the facilities we have built and will build to the year 2000 which are needed to provide water to land exchange areas in the four major areas of growth in the western part of our system which could have been avoided if the land exchanges had not occurred.

In our analysis we assumed the same rate of growth, however we located that growth in other areas of the system which had been previously approved for development and where capacity existed within the system. Our analysis showed that the added costs of providing water service to these land exchanges covering 9,700 acres was \$136 million. This is an average added cost of \$14,000 per acre for exchanged lands. The irony is that much of this land was originally appraised and exchanged for \$10,000 or less per acre. Southern Nevada water purveyors are the

victims of third party impacts associated with the BLM land exchange policies within the Las Vegas Valley.

We have looked at whether we should follow the examples of the Central Utah Project, Central Arizona Project, and California's Central Valley Project and come to Congress and ask for 65 percent federal cost sharing to help us expand our water project. We have recognized however that there is no money to be found in Washington these days. We are therefore resolved to build the system without federal assistance.

We believe however that we are justified in asking for some federal assistance because the federal government is the single largest landowner who will benefit from increased land values resulting from the provision of water to these desert tracts. What we are seeking is a partnership with BLM in future land sales or exchanges.

Burton-Santini Act and the Apex Act

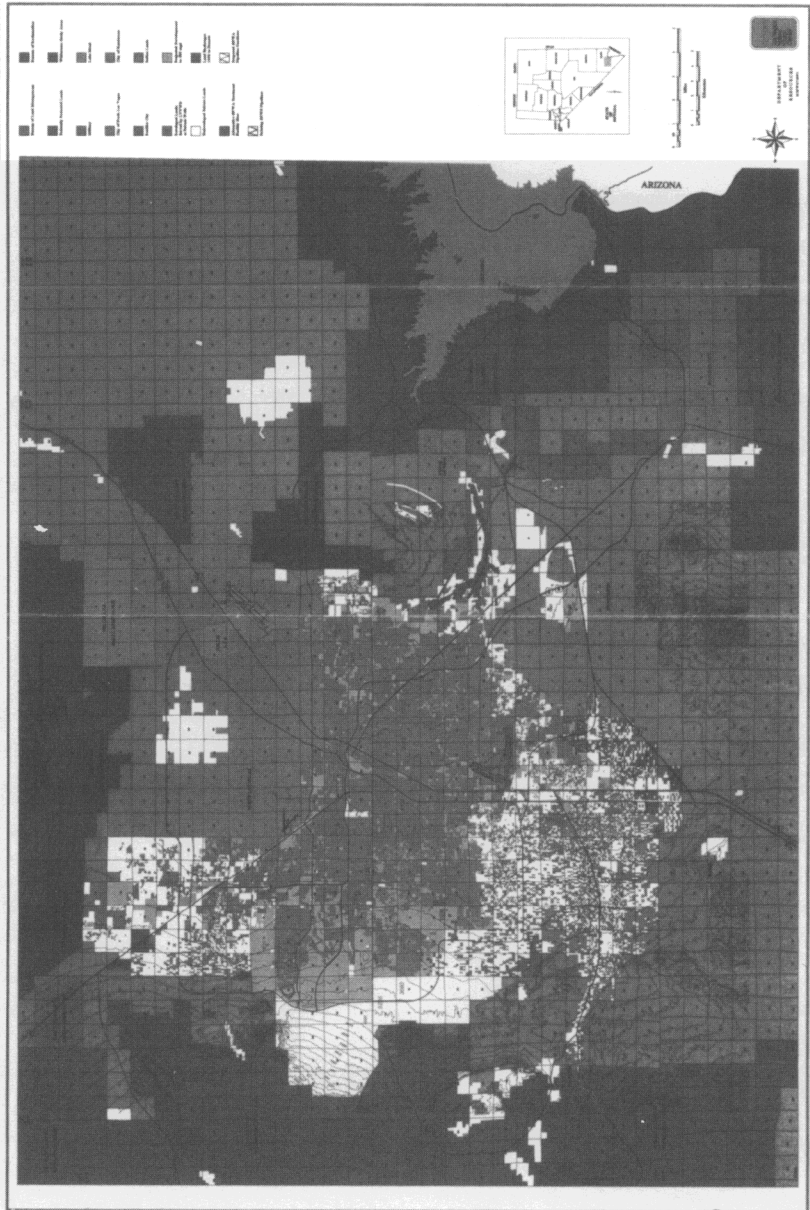
In discussing our problems with our Congressional delegation, we proposed to expand upon two federal statutes governing the disposal of public lands in Clark County previously approved by this Committee. These statutes are the Santini-Burton Act and the Apex bill, already referred to by Commissioner Christensen. This federal legislation created fifty/fifty partnership between the federal government and Clark County in developing federal desert land at Apex. The Apex Project Nevada Land Transfer Authorization Act of 1989 (Public Law 101-67). recognized that BLM desert has no value if it cannot be developed. That statute created a real partnership with BLM which reimbursed the County for the value of the improvements which were made to the land. Under the terms of this Act, Clark County provided the infrastructure to develop the

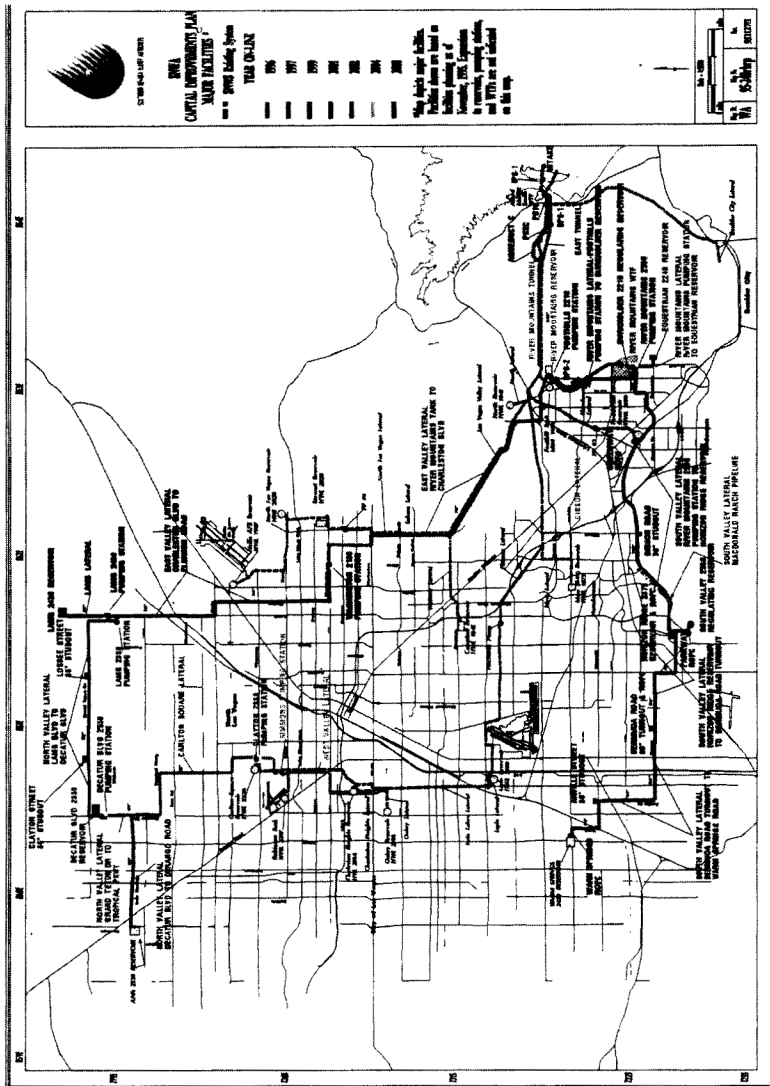
Industrial Park and negotiated the sale of land parcels to private industries desiring to locate at the Apex Industrial Park. Both BLM and the County have shared in the profits equally.

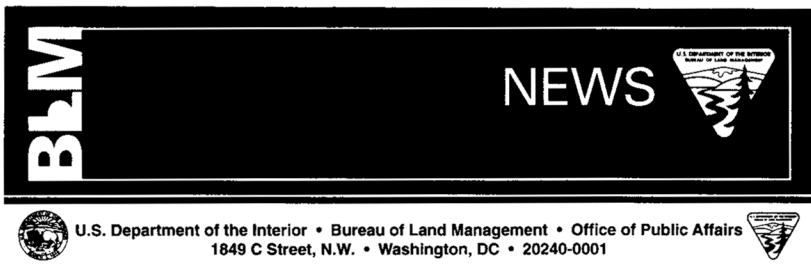
H.R. 3127 borrows from both the Santini-Burton Act and the Apex Act by allowing local government to participate in the process of identifying lands to be disposed of and also in sharing in the increased land values brought by providing infrastructure through a fifty/fifty split of the proceeds from the sales of federal lands. For the SNWA, this approach is critically important to defray the added costs of designing a new water system on to provide service to the expanded rings of BLM lands which surround the developed parts of Las Vegas. It will partially reimburse us for water infrastructure that is providing value to otherwise barren desert tracts of federal land.

Conclusion

H.R. 3127 will reestablish a cooperative working partnership between the federal government and local government as we seek to provide water service to the growth which will occur in the next decade through the continued disposal of federal landholdings within the Las Vegas Valley. We urge you to expedite the bill's enactment so that the terms of this cooperative partnership can be immediately applied to the next block of federal lands that are released for development. Thank You.







Contact: Michelle Barret (601) 898-0593 or
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BLM WANTS CHANGES IN NEVADA PUBLIC LAND BILL

Bureau of Land Management Acting Director Mike Dombeck testified today in Washington, D.C., regarding the Southern Nevada Public Land Management Act of 1996 (H.R. 3127), saying that while he believed that public lands can help ease the growing pains of the Las Vegas Valley, he could not support key provisions of the proposed legislation.

"I agree that the majority of the lands targeted for disposal in H.R. 3127 should be in private hands to help with the tremendous growth in the Las Vegas area," Dombeck said. "I would like to see changes in this proposed bill that would provide for equitable disposal of these public lands."

Dombeck noted that the BLM office in Las Vegas is inundated with requests for rights-of-way, leases, and land acquisition proposals for projects that would accommodate the population boom.

"Public lands that used to be out of town are now surrounded by development," he said. "It's in everybody's best interest to coordinate these activities, and I understand the importance of working with the local public to determine the future of these lands. However, the proposed bill goes too far and is not fair to the American taxpayer."

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In particular, Dombeck said the Administration is opposed to provisions of the bill that would require that 50 percent of the money from the sale of public lands goes to the State of Nevada and other local entities, rather than to the General Treasury. He cited similar legislation, such as the Burton-Santini Act, that sets the amount paid to state and local governments from similar sales at 15 percent. In addition, he said the Reclamation Act provides for a four percent revenue share for local entities for other lands.

"These shares represent a more equitable distribution for the American taxpayer," he said.

"Public lands can be part of the solution, and an effective land disposal program can assist in orderly growth," Dombeck said. "I'd like to work with the Nevada delegation to come up with a more equitable plan for the orderly disposal of these lands."



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