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STATE OF NEVADA
Sagebrush Ecosystem Program

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To: Governor Lombardo, Governor of the State of Nevada
James Settlemeyer, Director of the Department of Conservation and Natural Resources

From: Nevada Sagebrush Ecosystem Program

Through: Kathleen Steele, Program Manager
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Subject: Authorization of the Sagebrush Ecosystem Program to Collect and Use Funds to Advance the Mission

Introduction

The Nevada Sagebrush Ecosystem Program’s (SEP) mission is to sustain and enhance Nevada’s sagebrush ecosystems and the species that depend on them while supporting the State’s economy through responsible land stewardship and resource management. As the Program evolves to better fulfill its mission, it is essential to update statutory provisions to enable more effective operational flexibility, resource management, and enforcement mechanisms. This document provides detailed justification for proposed statute changes concerning regulatory authority to establish payments and penalties, defining the use of acquired funds, and authorization of a host fund out of the Program’s general budget.

Authority to Establish Payments and Penalties

Summary of Statute Change

Empower the Nevada Sagebrush Ecosystem Program’s governing Council to establish, through regulation, reasonable payments and penalties related to activities prescribed by law, such as compliance enforcement and program administration.

Governor’s 3-Year Plan Alignment

- 2.1. Facilitating a Business-Friendly Regulatory Environment
 - 2.1.2. Streamline Licensing at State and Local Levels
 - 2.1.3. Change Regulatory Culture to Partnership and Collaboration with Industry

Expected Benefits

- Allowing the Council to set payments and penalties provides flexibility to respond to capacity issues and enforce regulations.
- Make it easier and faster for industries to pay for their mitigation obligation by setting up payments to the state account for collaborative restoration.
 - These are optional as well and are intended to lessen the burden on industries to negotiate and get into a mitigation contract for small debit amounts.
- Payments collected can be put towards further restoration work in Nevada, increasing our net conservation gain requirement per the State Plan for Greater Sage-grouse.
- Offer optional additional services for a cost above normal market value that is usually paid towards a consultant for faster turn around and ensured accuracy.
- Reasonable penalties can serve as effective deterrents against non-compliance, ensuring better adherence to mitigation regulations and ensures that the industries who collaborate with the state are not penalized by those who do not.
 - Penalties are not fees as they are a decision by the Proponent whether to incur them or not.

Clarification and Expansion of Funding Sources

Summary of Statute Change

Require that all funds received through various sources—such as gifts, donations, grants, in-lieu payments, and penalties — be deposited into a dedicated Nevada Sagebrush Ecosystem Program Account.

Governor’s 3-Year Plan Alignment

- 6.2. Protecting and Managing Natural Resources
 - 6.2.1. Work Proactively with Federal Agencies to Ensure State Interests in New Resource Management Policies
 - 6.2.2. Collaborate Between Rural-Facing Agencies and Governor’s Office
 - 6.2.3. Focus Policies on Water Conservation and Reuse Across Agencies

Expected Benefits

- Depositing all funds into a designated account ensures clear tracking, reporting, and accountability of resources dedicated to sagebrush conservation efforts.
- Authority for the Program to accept and deposit gifts, donations, and grants enhances its capacity to leverage external funding, broaden resource bases, and implement ambitious conservation projects with federal, state, and NGO partners around Nevada.
- Collection of in-lieu payments and penalties into the dedicated account ensures that funds intended for ecosystem recovery and enforcement are properly allocated and managed towards the Program’s mission.

Authorization of Reasonable Hosting Expenditures

Summary of Statute Change

Authorize the Sagebrush Ecosystem Program to incur reasonable hosting expenditures, such as food and beverages through the general fund to facilitate business activities that benefit the Program, establish goodwill, promote the Program, or otherwise advance its mission.

Governor's 3-Year Plan Alignment

- 5.2. Providing Outstanding Customer Service
 - 5.2.3. Improve a Culture of Problem Solving and Responsiveness, in which Employees are Empowered to Address Identified Problems
- 2.1. Facilitate a Business-Friendly Regulatory Environment
 - 2.1.3. Change Regulatory Culture to Partnership and Collaboration with Industry

Expected Benefits

- The Program hosts events for industries and other various stakeholders to publicly voice concerns, problems, or requests for changes in the Program; meet with other proponents to facilitate easy mitigation transactions; and to collaborate with the State on how to better offset the proposed impacts.
- Hosting events and stakeholder meetings often require modest expenditures on food, beverages, and swag bags. Allowing these expenses ensures the Program can effectively engage partners, landowners, and community members, fostering public outreach, collaboration, and support thorough positive relationships.
 - Estimate \$1500 for our annual Proponent's training for food and drink (e.g., snacks and coffee)
 - Estimate \$1500 every 5 years for our Mitigation Summit for food and drink (e.g., snacks and coffee)
 - Estimate \$1000 per year on swag for various events and outreaches (e.g., magnets, seed packets, pens)
- All this would be spent from the Program's own general budget.
 - Currently the Program relies on donations from partners, which is difficult to acquire.

Request

The proposed statute amendments are essential to strengthen the Nevada Sagebrush Ecosystem Program's operation and mission. By empowering the Council to establish payments and penalties, clarifying and expanding funding sources, and authorizing reasonable hosting expenditures, these changes will facilitate more effective conservation efforts, improve stakeholder relations, and ensure progress towards the Programmatic mission.

We recommend the Nevada Legislature approve these statute amendments to enable the Nevada Sagebrush Ecosystem Program to operate more efficiently, transparently, and effectively in fulfilling its mission to conserve Nevada's sagebrush landscapes.

Proposed NRS Changes:

Definitions

In-lieu payment: a monetary deposit made in the Account to Restore the Sagebrush Ecosystem in exchange for fulfilling their mitigation requirement, to be designated for an ongoing or future restoration project

SAGEBRUSH ECOSYSTEMS

NRS 321.592 Division authorized to establish and carry out programs to preserve, restore and enhance sagebrush ecosystems. Except as otherwise provided in [NRS 321.594](#), the Division may establish and carry out programs to preserve, restore and enhance sagebrush ecosystems on public land in this State, and on privately owned land in this State with the consent of the owner of the land.

(Added to NRS by [2013, 3382](#))

NRS 321.594 Powers and duties of Administrator and Division regarding programs to improve sagebrush ecosystems; Division authorized to make certain grants and enter into certain contracts and agreements; regulations.

1. The Administrator of the Division shall coordinate the establishment and carrying out of a program of projects to improve sagebrush ecosystems in this State. The Division shall cooperate, without limitation, with:

- (a) The Department of Wildlife;
- (b) The State Department of Agriculture; and
- (c) The Division of Forestry of the State Department of Conservation and Natural Resources.

2. In carrying out the program described in subsection 1, the Division, on behalf of the Director of the State Department of Conservation and Natural Resources, shall:

(a) Oversee and administer a program to mitigate damage to sagebrush ecosystems through a system that awards credits to persons, federal and state agencies, local governments and nonprofit organizations who take measures to protect, enhance or restore sagebrush ecosystems established by the Sagebrush Ecosystem Council created by [NRS 232.162](#);

(b) Identify and, if necessary, prioritize any projects concerning the enhancement of the landscape, the restoration of habitat, the reduction of any nonnative grasses and plants and the mitigation of damage to or the expansion of scientific knowledge of sagebrush ecosystems;

(c) Coordinate activities with federal agencies;

(d) If requested, consult with persons proposing to conduct activities in any area which includes any sagebrush ecosystem or habitat of the greater sage grouse (*Centrocercus urophasianus*) to suggest measures to avoid, minimize or mitigate the effect of the activities on any sagebrush ecosystem;

(e) Solicit grants and private contributions for projects to improve sagebrush ecosystems;

(f) Authorize reasonable hosting expenditures, such as for meals and beverages, through the general fund by or on behalf of Sagebrush Ecosystem Program who is conducting business activities necessary to provide a benefit to the Sagebrush Ecosystem Program by establishing goodwill, promoting the Program, or otherwise advancing the mission of the Program; and

~~(fg)~~ (fg) On or before ~~August 1~~ June 30 of each year, submit a report to the Sagebrush Ecosystem Council created by [NRS 232.162](#). The report must include, without limitation:

(1) A description of each project conducted or planned to be conducted pursuant to the program described in subsection 1, including the cost, source of funding and, for projects that have been carried out, the results of the project;

(2) A description of any agreement between the Division and any person, federal or state agency, local government or nonprofit organization, including the purpose and provisions of the agreement;

(3) A list of all grants and private contributions solicited and all grants awarded to further the purposes of the program;

(4) A description of any significant activities conducted in any area which includes sagebrush ecosystem or habitat of the greater sage grouse and all measures adopted to avoid, minimize or mitigate the effect of the activities on any sagebrush ecosystem; ~~and~~

(5) The amount of money dispersed for hosting expenditures and the specific purpose and activity for which the money was expended; and

(6) Any other information specified by the Division or requested by the Council.

3. The Division may:

(a) Enter into any agreement with a person, federal or state agency, local government or nonprofit organization to further the preservation, restoration and enhancement of sagebrush ecosystems on public land or on privately owned land with the consent of the owner of the land;

(b) In accordance with subsection 3 of [NRS 321.001](#), acquire and hold land and any interest in land or water required to carry out the program described in subsection 1;

- (c) Sell or lease land and any interest in land or water that the Division determines is no longer necessary to carry out the program described in subsection 1;
 - (d) Within the limits of available money, award grants of money to other state agencies, local governments and nonprofit organizations to carry out the program described in subsection 1;
 - (e) Adopt any regulations to carry out the provisions of this section; and
 - (f) Conduct any other activities specified by the Division to carry out the program described in subsection 1.
4. The proceeds from the sale or lease of land or of any interest in land or water pursuant to paragraph (c) of subsection 3 must be deposited in the Account to Restore the Sagebrush Ecosystem created by [NRS 232.161](#).
(Added to NRS by [2013, 3382](#))

NRS 232.161 Account to Restore the Sagebrush Ecosystem: Creation; duties of Director; limitations on use of money in Account.

- 1) The Account to Restore the Sagebrush Ecosystem is hereby created in the State General Fund. The Director shall administer the Account in a manner consistent with policies and priorities established by the Sagebrush Ecosystem Council created by [NRS 232.162](#).
- 2) Any money received through the following sources must be deposited into the Account:
 - ~~(a) The Director may apply for and accept any~~ Any gift, donation, bequest, grant or other source of money applied for and accepted by the Director or the director's designee. Any money so received must be deposited in the Account.
 - (b) In-lieu payments collected pursuant to paragraph (e) of subsection 7 of NRS 232.162 to fulfill their obligation as set forth in regulation.
 - (c) Penalties for non-compliance of authority pursuant to paragraph (e) of subsection 7 of NRS 232.162 collected as set forth in regulations.
- ~~2)3)~~ The interest and income earned on the money in the Account, after deducting any applicable charges, must be credited to the Account. Money that remains in the Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.
- ~~3)4)~~ The money in the Account may only be used to establish and carry out programs to preserve, restore and enhance sagebrush ecosystems pursuant to [NRS 321.592](#) and [321.594](#) and is hereby authorized for expenditure as a continuing appropriation for this purpose.
- ~~4)5)~~ Claims against the Account must be paid as other claims against the State are paid.
(Added to NRS by [2013, 3383](#))

NRS 232.162 Sagebrush Ecosystem Council: Creation; members; terms; powers; duties; report to Governor.

- 1. The Sagebrush Ecosystem Council is hereby created in the Department. The Council consists of:
 - (a) The following nine voting members appointed by the Governor:
 - (1) One member who represents agricultural interests;
 - (2) One member who represents the energy industry;
 - (3) One member who represents the general public;
 - (4) One member who represents conservation and environmental interests;
 - (5) One member who represents mining interests;
 - (6) One member who represents ranching interests;
 - (7) One member who represents local government;
 - (8) One member who acts as a liaison for Native American tribes; and
 - (9) One member of the Board of Wildlife Commissioners or his or her designee.
 - (b) In addition to the members appointed pursuant to paragraph (a), the following nonvoting members:
 - (1) The Director of the State Department of Conservation and Natural Resources;
 - (2) The Director of the Department of Wildlife;
 - (3) The Director of the State Department of Agriculture;
 - (4) The State Director of the Nevada State Office of the Bureau of Land Management;
 - (5) The State Supervisor of the Nevada State Office of the United States Fish and Wildlife Service;
 - (6) The Forest Supervisor for the Humboldt-Toiyabe National Forest; and
 - (7) Any other members appointed by the Governor as nonvoting members.
- 2. The provisions of subsection 6 of [NRS 232A.020](#) do not apply to the appointment by the Governor of the members of the Council.
- 3. After the initial terms, each member of the Council appointed pursuant to subparagraphs (1) to (8), inclusive, of paragraph (a) of subsection 1 and subparagraph (7) of paragraph (b) of subsection 1 serves a term of 4 years, commencing on July 1.
- 4. A vacancy in the membership of the Council must be filled in the same manner as the original appointment for the remainder of the unexpired term. A member may be reappointed.
- 5. While engaged in the business of the Council, each voting member is entitled to receive a salary of not more than \$80 per day, as established by the Council, and the per diem allowance and travel expenses provided for state officers and employees generally.
- 6. The Council may:
 - (a) Adopt regulations to govern the management and operation of the Council;
 - (b) Establish subcommittees consisting of members of the Council to assist the Council in the performance of its

duties;

~~(b)(c)~~ Establish by regulation reasonable payments and penalties related to the activities prescribed by paragraph (e) of subsection 7, and
~~(e)(d)~~ Consider and require the recovery of costs related to activities prescribed by paragraph (d) of subsection 2 of [NRS 321.594](#), pursuant to [NRS 701.600 to 701.640](#), inclusive, or any other authorized method of recovering those costs.

7. The Council shall:

- (a) Consider the best science available in its determinations regarding and conservation of the greater sage grouse (*Centrocercus urophasianus*) and sagebrush ecosystems in this State;
 - (b) Establish and carry out strategies for:
 - (1) The conservation of the greater sage grouse and sagebrush ecosystems in this State; and
 - (2) Managing land which includes those sagebrush ecosystems, taking into consideration the importance of those sagebrush ecosystems and the interests of the State;
 - (c) Establish and carry out a long-term system for carrying out strategies to manage sagebrush ecosystems in this State using an adaptive management framework and providing for input from interested persons and governmental entities;
 - (d) Oversee any team within the Division of State Lands of the Department which provides technical services concerning sagebrush ecosystems;
 - (e) Establish by regulation a program to mitigate damage to sagebrush ecosystems in this State by authorizing a system that awards credits to persons, federal and state agencies, local governments and nonprofit organizations to protect, enhance or restore sagebrush ecosystems;
 - (f) Solicit suggestions and information and, if necessary, prioritize projects concerning the enhancement of the landscape, the restoration of habitat, the reduction of nonnative grasses and plants and the mitigation of damage to or the expansion of scientific knowledge of sagebrush ecosystems;
 - (g) If requested, provide advice for the resolution of any conflict concerning the management of the greater sage grouse or a sagebrush ecosystem in this State;
 - (h) Coordinate and facilitate discussion among persons, federal and state agencies and local governments concerning the maintenance of sagebrush ecosystems and the conservation of the greater sage grouse;
 - (i) Provide information and advice to persons, federal and state agencies and local governments concerning any strategy, system, program or project carried out pursuant to this section or [NRS 321.592](#) or [321.594](#); and
 - (j) Provide direction to state agencies concerning any strategy, system, program or project carried out pursuant to this section or [NRS 321.592](#) or [321.594](#) and resolve any conflict with any direction given by another state board, commission or department jointly with that board, commission or department, as applicable.
8. On or before June 30 and December 31 of each year, the Council shall submit a written report to the Governor. The report must include, without limitation:
- (a) Information concerning the overall health and population of the greater sage grouse within this State and in the United States and the overall health of sagebrush ecosystems within this State, including, without limitation, information concerning any threats to the population of sage grouse and any sagebrush ecosystems within this State;
 - (b) Information concerning all strategies, systems, programs and projects carried out pursuant to this section and [NRS 321.592](#) and [321.594](#), including, without limitation, information concerning the costs, sources of funding and results of those strategies, systems, programs and projects; and
 - (c) Any other information specified by the Council.
- (Added to NRS by [2013, 3383](#))