BRADLEY CROWELL Director

Division of Environmental Protection
Division of Water Resources
Division of Forestry
Division of State Parks
Division of State Lands
Division of Natural Heritage
Division of Outdoor Recreation



JAMES R. LAWRENCE DOMINIQUE ETCHEGOYHEN Deputy Directors

State Historic Preservation Office Conservation Districts Program Sagebrush Ecosystem Program Off-Highway Vehicles Program Conserve Nevada Program

Office of the Director
901 S. Stewart Street, Suite 1003/Carson City, Nevada 89701
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Nevada Department of Conservation and Natural Resources

PROPOSED REGULATION OF THE NEVADA DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

LCB FILE No. R025-22I CONSERVE NEVADA PROGRAM

NOTICE OF WORKSHOP TO SOLICIT COMMENTS ON PROPOSED REGULATION

The Nevada Department of Conservation and Natural Resources, 901 S. Stewart St., Ste. 1003, Carson City, Nevada, 89701, is proposing the Amendment of regulations pertaining to Nevada Administrative Code (NAC) Chapter 321. A workshop has been set for:

Date: Tuesday, March 22, 2022

Time: 2:00 p.m. PDT

Location: Nevada Department of Conservation and Natural Resources

Bryan Building, 2nd Floor, Tahoe Conference Room

901 S. Stewart St. Carson City, NV 89701

Location: This meeting will also be held virtually via LifeSize.

Remote Meeting Information*:

To Join the meeting virtually, click on the URL and enter the meeting passcode when prompted: https://call.lifesizecloud.com/13703762

Passcode: 12345#

Other ways to join the meeting:

Join the Lifesize meeting using Skype for Business: https://skype.lifesizecloud.com/13703762

Click to call from Mobile (audio only)

United States: +1 (877) 422-8614, meeting extension: 13703762#, passcode: 12345#

Call in by Phone (audio only)

United States: +1 (877) 422-8614

Meeting extension: 13703762#

Passcode: 12345#

Additional phone numbers: https://call.lifesize.com/numbers

Please make sure to mute yourself during the meeting.

ALL PERSONS WISHING TO ATTEND THE MEETING MAY ATTEND IN PERSON OR VIA THE IDENTIFIED VIRTUAL MEETING PLATFORM OR TELEPHONICALLY. Nevada Revised Statutes Chapter 287 has been amended through AB 253 of the 81st Session of the Nevada Legislature to allow public meetings to be completed by use of remote technology and without a physical location.

This workshop will be conducted in accordance with the Open Meeting Law (NRS 241.020)

The purpose of the workshop is to solicit comments from interested persons on changes to NAC 321 pertaining to the administration of the Conserve Nevada grant program authorized in the 2019 Statutes of Nevada, Chapter 480. Proposed regulation changes are contained within LCB File No. R025-22I. (https://www.leg.state.nv.us/Register/2022Register/R025-22I.pdf)

A copy of all materials relating to the proposal may be obtained by visiting the Conserve Nevada website at ConserveNevada.nv.gov or by contacting the Conserve Nevada Program at 775-684-2707 or Brandon.Bishop@dcnr.nv.gov. Copies may also be requested or inspected by visiting the Nevada Department of Conservation and Natural Resources office located in Carson City or the Nevada State Library and Archives at 100 Stewart Street, Carson City, NV 89701. A reasonable fee for copying or postage may be charged for those requesting a print copy. Members of the public who would like additional information about a proposed regulation may contact the Conserve Nevada program at 775-684-2707 and Brandon.Bishop@dcnr.nv.gov.

Persons wishing to make oral comment upon the regulation draft of the Nevada Department of Conservation and Natural Resources may participate in the scheduled workshop. Persons wishing to submit written testimony or documentary evidence may submit the material by emailing Brandon.Bishop@dcnr.nv.gov or by mailing to the following address: Nevada Department of Conservation and Natural Resources, Attn: Brandon Bishop, 901 S. Stewart St., Ste. 1003 Carson City, NV 89701.

Reasonable efforts will be made for members of the public who have disabilities and require special accommodations for assistance at the meeting. Please contact the Department at 775-684-2707 or Brandon.Bishop@dcnr.nv.gov prior to the meeting.

Notice of this meeting was sent to all persons on the Conserve Nevada and Department mailing list for administrative regulations and posted on or before 9:00 am, fifteen days before the meeting at the following locations: Conserve Nevada website at ConserveNevada.nv.gov, Nevada Public Notice at https://notice.nv.gov/ and Nevada Legislative Administrative Regulation Notices at https://www.leg.state.nv.us/App/Notice/A/.

As required by the provisions of chapters 233B and 241 of Nevada Revised Statutes, the public notice for this hearing was posted at the following locations:

the Nevada State Legislature (401 S. Carson St., Carson City, Nevada); the offices of the Nevada Department of Conservation and Natural Resources (901 S. Stewart St., Carson City, Nevada), the Grant Sawyer Building (555 E. Washington Ave, Las Vegas, Nevada) and at the Nevada State Library and Archives (100 N. Stewart St, Carson City, Nevada).

WORKSHOP AGENDA MARCH 22, 2022 2:00 P.M. PST

Note: Items on the agenda may be taken out of the posted order, items may be combined for consideration, and items may be pulled or removed from the agenda.

- I. Call to Order
- **II. Public Comment:** In consideration of others who may wish to provide public comment, please avoid repetition, and limit your comment to three minutes per person. Unused time may not be reserved by the speaker nor allocated to another speaker.
- III. Overview of Proposed Changes to NAC Chapter 321: The Nevada Department of Conservation and Natural Resources will hold a workshop to solicit comments from interested persons on the following general topics that may be addressed in proposed regulations (LCB File No. R025-22I):
 - <u>LCB File No. R025-22I</u> establishes a new section within NAC Chapter 321 for the administration, operation, and requirements of the grant program managed by the Conserve Nevada Program in accordance with the 2019 Statutes of Nevada, Chapter 480.
- **IV. Public Comment:** In consideration of others who may wish to provide public comment please avoid repetition and limit your comment to three minutes per person. Unused time my not be reserved by the speaker nor allocated to another speaker.
- V. Adjourn

BRADLEY CROWELL Director

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Nevada Department of Conservation and Natural Resources

SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY NRS 223B.0608

LCB FILE No. R025-22 March 3, 2022

Proposed amendments to NAC Chapter 321 pertaining to LCB File No. R025-22

1. A description of the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

These regulations are for the administration of the Conserve Nevada grant program authorized in the 2019 Statutes of Nevada, Chapter 480. These regulations do not include fees or new regulations on small business. These regulations will not impact small businesses in Nevada negatively either directly or indirectly. However, it is expected that the award of grants will provide an economic development opportunity for Nevada's outdoor recreation industry, construction industry, agricultural sector, and hospitality sectors through the award of grants that may create opportunities for business.

2. The manner in which the analysis was conducted.

A business impact survey was not conducted to assess the impact of these regulations as they do not have a direct impact on small business. During the development of the program's regulations four informal public listening sessions were conducted to help solicit feedback, concerns, and priorities from the public, nonprofits, state agencies, and local governments. During these listening sessions and regional visits program staff did not receive any comments or concerns from small business related to these proposed regulations. As evidenced by economic work conducted to assess the benefit of Nevada's outdoor recreation sector and further supported by data generated through the Nevada Economic Assessment Project (NEAP) it is anticipated that grants will provide needed investment leading to economic benefit for the State. This will include economic develop opportunities for both our rural and urban communities. It is probable that indirect benefits through grant investments will help grow industries like Nevada's \$4 billion-dollar outdoor recreation industry. Through other regional studies investment within this sector alone typically generates an economic multiplier of approximately 1.8. While not directly

evident it is anticipated that funds leveraged through this program with other investments will have a positive economic impact on small businesses.

In addition, these regulations are similar to the regulations that were adopted to carry out the "Q1" program that was passed by the Nevada voters in 2001. The "Q1" program also provided grants for resource conservation and recreation purposes to various entities. Negative impacts to small businesses were not identified during the administration of that program. Through the Q1 program we received anecdotal information regarding the programs benefit to small businesses. This was typically seen in instance were small businesses benefited from construction contracts, or where they benefited from an increase in visitors as a result of a recreation project.

- 3. The estimated economic effect of proposed regulation on small business which it is to regulate, including, without limitation:
 - The proposed regulation does not include regulations on small business.
- 4. A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.

In development of the regulations impacts on small business were considered; however, given the nature and scope of the authorizing legislation it is not anticipated these regulations will have a direct impact on small business.

- 5. The estimated cost to the agency for enforcement of the proposed regulation.

 DCNR does not anticipate additional costs for enforcement of the proposed regulations as the regulations are implementing the grant program outlined in the 2019 Statutes of Nevada, Chapter 480. It is anticipated that current staffing levels provided for in implementation of the program are sufficient to carry out these regulations.
- 6. If the proposed regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

The proposed regulations do not provide for a fee or an increase in an existing fee.

- 7. If the proposed regulation includes provisions which duplicate or are more stringent that federal, state or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.

 N/A
- 8. The reason for the conclusion of the agency regarding the impact of a regulation on small businesses.

The adoption of this regulation will not directly impact small business. It is anticipated that the implementation of this program and investment in projects around the state will likely benefit small business through indirect factors. While the program will have direct impact on grant applicants it does not contain provisions that regulate small business as defined in NRS 223B.0382.

I certify that to the best of my knowledge or belief, a concerted effort was made to determine the impact of this proposed regulation on small businesses and the information contained in the statement was prepared properly and is accurate.

For BRADLEY CROWELL

Director

Nevada Department of Conservation & Natural Resources

PROPOSED REGULATION OF THE DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

LCB FILE NO. R025-22I

The following document is the initial draft regulation proposed by the agency submitted on 03/02/2022

PROPOSED REGULATION OF THE

NEVADA DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

March 2, 2022

EXPLANATION – Matter in **bold italic is** new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: 2019 Statutes of Nevada, Chapter 480

A REGULATION relating to the administration of the Nevada Conservation and Recreation Fund and the Conserve Nevada Program of the Department of Conservation and Natural Resources; providing for the implementation of the program and the administration of grants as authorized in 2019 Statutes of Nevada, Chapter 480 and matters relating properly thereto.

Chapter 321 of NAC is hereby amended by adding thereto the provisions set forth as sections 1 to 36, inclusive, of this regulation.

As used in Section 1 to Section 36, inclusive, unless the context otherwise requires, the words and terms defined in Section 1 to Section 28, inclusive, have the meanings ascribed to them in those sections.

- Section 1. "Acquisition" defined. "Acquisition" means the securing of the right of the public use of real property by the purchase or donation of an interest in that real property.
- Sec. 2. "Carson River corridor" defined. "Carson River corridor" includes, without limitation, the 100-year floodplain of the Carson River, land adjacent to the 100-year floodplain of the Carson River, sloughs or ponds of the Carson River, old meanders and oxbows of the Carson River, and any tributary of the Carson River within its recognized hydrographic-basin.
- Sec. 3. "Climate resiliency" defined. "Climate resiliency" means the adaptive capacity and ability to anticipate, prepare for, and respond to a changing climate.
- Sec. 4. "Conservation District" defined. "Conservation District" has the meaning ascribed to it by NRS 548.032 and any subdivision thereof.
- Sec. 5. "Credits to protect sagebrush ecosystems" defined. "Credits to protect sagebrush ecosystems" means those credits administered by the Sagebrush Ecosystem Council created by NRS 232.162.
- Sec. 6. "Department" defined. "Department" means the Nevada Department of Conservation and Natural Resources.
- Sec. 7. "Director" defined. "Director" means the Director of the Nevada Department of Conservation and Natural Resources or their designee.

- Sec. 8. "Easement for conservation" defined. "Easement for conservation" has the meaning ascribed to it in NRS 111.410.
- Sec. 9. "Historic or cultural resources" defined. "Historic or cultural resources" means any surviving evidence that relates to the history of the use of the land from the earliest human occupation to recent historical activities. Surviving evidence may include, without limitation, sites, structures, districts, objects, artifacts, petroglyphs, pictographs, and historic documents associated with or representative of peoples, cultures, and human activities and events from any period of time, including, without limitation, the present.
- Sec. 10. "Lake Tahoe Path System" defined. "Lake Tahoe Path System" means the pedestrian and bicycle shared use path system running from the Nevada California border West of Incline Village, NV to Stateline, NV as laid out in the 2020 Tahoe Regional Planning Agency 2020 Regional Transportation Plan. This includes Lake Tahoe Trail facilities, support infrastructure, mobility hubs, bicycle pedestrian counters, network trailheads, trail connectors, and shared use pathways that encompass this path system.
- Sec. 11. "Matching contribution" defined. "Matching contribution" includes money or anything of value, including, without limitation, the use of personnel, materials or equipment that is expended on a project.
- Sec. 12. "Local government" defined. "Local government" means a regional subdivision of the State of Nevada that shall include an incorporated city created pursuant to chapter 266 of NRS, an unincorporated town created pursuant to chapter 269 of NRS, or a general improvement district created pursuant to chapter 318 of NRS.
- Sec. 13. "Nevada Conservation and Recreation Fund" and "Program" and "Conserve Nevada" defined. "Nevada Conservation and Recreation Fund" and "Program" and "Conserve Nevada" means the conservation and resource bond program established in Statutes of Nevada, Chapter 480 housed within the Nevada Department of Conservation and Natural Resources Director's Office.
- Sec. 14. "Nonprofit Organization" defined. "Nonprofit conservation organization" and "Nonprofit organization" means a nonprofit 501(c)(3) organization that has as part of the mission of the organization the acquisition of property for conservation purposes, outdoor recreation, or preservation and protection of natural or cultural resources.
- Sec. 15. "Project" defined. "Project" includes, without limitation, the design and construction of outdoor recreational facilities, campsites, hiking trails, equestrian trails, bicycle trails, acquisition of land and water rights or interests in land and water rights to protect and enhance wildlife habitat, sensitive or unique vegetation, historic or cultural resources, riparian corridors, floodplains, wetlands, other environmental resources, and open spaces, the acquisition of credits to protect sagebrush ecosystems, the creation of resilient landscapes, catastrophic wildfire mitigation and restoration, maintenance or restoration of watersheds, maintenance or restoration of river corridors, and those activities, acquisitions, construction, design, planning, studies that preserve and protect or obtain the benefits of the property and natural and cultural resources of the State of Nevada.
- Sec. 16. "Program Manager" defined. "Program Manager" means a staff member of the Nevada Department of Conservation and Natural Resources, Nevada Conservation and

- Recreation Fund tasked with the day-to-day operation and administration of Conserve Nevada.
- Sec. 17. "Public benefit" defined. "Public benefit" means the outcome of a project or acquisition that obtains, protects, or preserves the benefits of property or natural resources, or cultural resources for the residents of the State of Nevada for current and future generations.
- Sec. 18. "Recreational facility" defined. "Recreational facility" means a facility for the use and enjoyment of a recreation area or trail that provides an opportunity for the observation, interpretation, outdoor recreation, or enjoyment of natural or cultural resources.
- Sec. 19. "Recreational trail" defined. "Recreational Trail" means a trail, pathway or similar area for walking, hiking, bicycling, horseback riding, exercising or any other outdoor recreational activity. Including trail infrastructure that provides public access to outdoor recreation resources, existing trail connections, or pathways that facilitate access to a natural or cultural resource.
- Sec. 20. "Riparian corridor" defined. "Riparian corridor" means land related to or located on the bank of or adjacent to a natural or artificial waterway, including, without limitation, a river, an intermittent or permanent creek or stream, a gully where surface water collects, a wetland, a lake, a pond, a ditch, if land exhibits plant types unique to areas with periodic or perennial water sources of a magnitude greater than the surrounding uplands and maintains ecosystem services representative of a natural riparian system.
- Sec. 21. "Sensitive or unique vegetation" defined. "Sensitive or unique vegetation" means any native species, cluster of native species or type of habitat containing a rare, threatened, or endangered native plant species that has been identified by an appropriate federal or state agency, any native plant species or vegetation in a declining trend, any species of plant or network of vegetation that has characteristics that have been identified as worthy of special consideration or any plant species or network of vegetation that is highly restricted in distribution or that occurs only in a specialized habitat or supports another rare, threatened, or endangered species.
- Sec. 22. "State agency" defined. "State agency" means any agency, department or division of the Executive Department of this State and includes the Nevada System of Higher Education.
- Sec. 23. "Trailhead" defined. "Trailhead" means a point at which a recreational trail or path system begins, diverts, or terminates, a trail junction, point of interest, recreation stop, scenic point, site of a trail amenity or interpretive signage, support infrastructure along or connecting to a recreational trail which may include but not limited to restrooms, parking, signage, interpretive site, and other items that provide public accessibility, information, or support for public utilization of a recreational trail or path system.
- Sec. 24. "Truckee River corridor" defined. "Truckee River corridor" includes, without limitation, the 100-year floodplain of the Truckee River, land adjacent to the 100-year floodplain of the Truckee River, sloughs or ponds of the Truckee River, old meanders and oxbows of the Truckee River, and any tributary of the Truckee River within its recognized hydrographic-basin.
- Sec. 25. "Water Conservancy District" defined. "Water Conservancy District" has the meaning ascribed to it by NRS 541.020 and any subdivision thereof.

- Sec. 26. "Wetland" defined. "Wetland" means lands transitional between terrestrial and aquatic systems where the water table is usually at or near the surface or the land is covered by shallow water. For purposes of this classification, wetlands must have a stable water source and have one or more of the following three attributes: (1) at least periodically, the land supports predominantly hydrophytes, (2) the substrate is predominantly undrained hydric soil, and/or the (3) substrate is nonsoil and is saturated with water or covered by shallow water at some time during the growing season of each year.
- Sec. 27. "Wildlife Habitat" defined. "Wildlife habitat" means a diverse area with a combination of necessary resources and environmental conditions that promotes a population of at least one wildlife species and allows that species to flourish and reproduce.
- Sec. 28. "Wildlife species" defined. "Wildlife species" means any native species of animal, including without limitation, insects, amphibians, reptiles, and other vertebrates and invertebrates.
- Sec. 29. Award of grants of money; entry into contracts or agreements, use of advisory committees; coordination of efforts.
 - 1. The Nevada Conservation and Recreation Fund will award grants of money from the sale of general obligation bonds of this State to counties, conservation districts, water conservancy districts, local governments, state agencies, nonprofit organizations, or any combination thereof as authorized in the 2019 Statutes of Nevada, Chapter 480 or through subsequent legislative authority.
 - 2. The Nevada Conservation and Recreation Fund may award competitive grants up to the amount allocated in the 2019 Statutes of Nevada, Chapter 480 or as specified through subsequent legislative authority based upon the availability of general obligation bond proceeds in:
 - (a) An amount not to exceed \$10,000,000 for grants to state agencies, local governments, water conservancy districts, conservation districts and nonprofit organizations or subdivisions thereof to enhance and restore the Truckee River corridor and watershed and the Carson River corridor and watershed.
 - (b) An amount not to exceed \$5,000,000 for grants to Douglas County, Washoe County, Carson City, or local governments located within those counties to enhance the Lake Tahoe Path System.
 - 3. The Nevada Conservation and Recreation Fund may award competitive grants to counties, conservation districts, local governments, nonprofit organizations, state agencies in an amount not to exceed \$57,500,000 as authorized in the 2019 Statutes of Nevada, Chapter 480 or through subsequent authority. Grants shall be awarded based upon the availability of general obligation bond proceeds or from other allocations and may be awarded for:
 - (a) The design, planning, construction of recreational facilities, campsites, recreational trails, and trailheads. Programs and projects under this category must be for the protection and preservation of the property and natural resources of the State.

- (b) The acquisition of land and water rights or interests in land and water rights by the State, a county, local government, or state agencies to protect and enhance wildlife habitat, sensitive or unique vegetation, historic or cultural resources, riparian corridors, wetlands, and other environmental resources.
- (c) The acquisition and retirement of credits that support the protection, enhancement, or restoration of sagebrush ecosystems in accordance with NRS 232.162 and administered by the Sagebrush Ecosystem Council through NAC 232.400 to 232.480 inclusive. Credits acquired through this section may not be for environmental mitigation requirements.
- (d) Carrying out projects to create resilient landscapes by reducing the threat of catastrophic wildfire, improving the condition and ecological health of watersheds or rehabilitating lands damaged by wildland fires.
- (e) The inventory, enhancement, and restoration of wetlands.
- (f) Contracts or agreements under which a nonprofit may acquire land and water rights or interests in land and water rights to protect and enhance wildlife habitat, sensitive or unique vegetation, historic or cultural resources, riparian corridors, wetlands, and other environmental resources. Property or interest in property acquired through this provision shall be held by the State.
- 4. The Nevada Conservation and Recreation Fund shall coordinate with the Division of State Lands of the Nevada Department of Conservation and Natural Resources on grants awarded pursuant to Section 29, Subsection 3(b).
- 5. The Nevada Conservation and Recreation Fund shall coordinate with the Nevada Division of Forestry of the Nevada Department of Conservation and Natural Resources and the Nevada Department of Wildlife on grants awarded pursuant to Section 29, Subsection 3(d).
- 6. The Nevada Conservation and Recreation Fund shall coordinate with the Nevada Division of Natural Heritage within the Nevada Department of Conservation and Natural Resources and the Nevada Department of Wildlife on grants awarded pursuant to Section 29, Subsection 3(e).
- 7. The Nevada Conservation and Recreation Fund shall coordinate with the Nevada Division of State Parks and the Nevada Division of Outdoor Recreation of the Nevada Department of Conservation and Natural Resources on grants awarded pursuant to Section 29, Subsection 3(a).

Sec. 30. Application for grant, contract, or agreement: solicitation; submission; contents.

- 1. The Nevada Conservation and Recreation Fund may periodically:
 - (a) Solicit applications from counties, conservation districts, water conservancy districts, local government, nonprofit organizations, state agencies for grants of money from the sale of general obligation bonds issued pursuant to chapter 349 of NRS;
 - (b) Solicit grant applications from nonprofit organizations to carry out contracts or agreements; and

- (c) Establish deadlines for the submission of applications solicited pursuant to Section 29.
- 2. An application for a grant, contract, or agreement pursuant to Section 29, must be submitted to the Nevada Conservation and Recreation Fund and must include, without limitation:
 - (a) A completed application on a form provided by the Nevada Conservation and Recreation Fund;
 - (b) The total projected cost of the project, including, without limitation, as appropriate, the estimated costs for planning, design, acquisitions and construction, and a description of the manner in which the project meets the intent of the program;
 - (c) A proposed schedule for the project that must include the planned phasing and implementation of the project;
 - (d) Documentation of the qualifications of the nonprofit organization, if applicable;
 - (e) A detailed description of matching contributions that will be provided by the applicant;
 - (f) Proof that the applicant has title to, or a lease or easement on, land that is required to carry out the project or a letter of intent between the property owner and the applicant concerning the acquisition of the property by the applicant;
 - (g) If the application is submitted by a nonprofit conservation organization and includes the acquisition of land or water or any interest in land or water, the most current financial statement of the organization, up to the last three filed IRS 990 forms, and specific details concerning the manner in which the money of the State will be secured by an interest in the property;
 - (h) A map of the location and a plan of the site of the project indicated in an appropriate scale;
 - (i) Documentation that the project conforms to all applicable local, regional, state, and federal plans;
 - (j) Documentation and a statement by the applicant that the applicant has made a good faith effort to contact property owners potentially impacted by the project. Applicant should include any letters of support or opposition received regarding the project. The Nevada Conservation and Recreation Program may request additional support materials;
 - (k) A statement from any local jurisdiction affected by the proposal that details any issues or concerns about the proposal and whether the local jurisdiction supports or opposes the proposal;
 - (l) If applicable any environmental reviews, site planning documents, archaeological or other site impact statements, reviews, or permits required to proceed with a project;

- (m) Identification of known potential adverse impacts to the environment or a cultural site and identification of proposed mitigation measures; and
- (n) A summary of the proposed plan for operation and maintenance of the project for a period of not less than 20 years, including without limitation, the identity of the person or entity who will operate the project and provide continued maintenance.

Sec. 31. Eligibility of a project for grant: Preapplication for initial determination; criteria for determination.

- 1. An eligible entity may submit a preapplication or letter of intent to the Nevada Conservation and Recreation Fund for an initial determination of the eligibility of the project for a grant under the program. In making a determination of eligibility of a project, the Nevada Conservation and Recreation Fund will consider, without limitation, the following criteria:
 - (a) Whether the county, conservation district, water conservancy district, local government, nonprofit, or state agency is eligible to apply for the grant;
 - (b) Whether the proposed project is eligible pursuant to Section 29; and
 - (c) Whether the proposed project provides a public benefit as determined by the Nevada Conservation and Recreation Fund.
- 2. The Nevada Conservation and Recreation Fund may periodically solicit project lists from eligible organizations to help inform needs assessments for statewide projects.

Sec. 32. Ranking of applications and awarding of grants by the Nevada Conservation and Recreation Fund; use of an advisory committee.

- 1. The Nevada Conservation and Recreation Fund Program Manager will rank applications made pursuant to Section 30 in priority order for funding and may utilize an advisory committee to conduct ranking. The Program Manager at the direction of the Director or their designee will award grants for projects or acquisitions that, based on the application, are most appropriate for the receipt of a grant within the overall purpose of the Program. The Program Manager will use a ranking system authorized by the Director or their designee to rank each application. At a minimum the Program Manager will rank applications based on the following factors:
 - (a) The extent of environmental significance of the project and the degree of conservation and protection of natural resources, including, without limitation, the preservation of a natural, scientific, cultural, archaeological, agricultural, paleontological, or historical site, or a wetland or a riparian resource;
 - (b) The extent of the public benefit, including, without limitation, an overall advancement in the conservation and protection of the natural resources of the State, and enhancement to recreational opportunities, increased public access to lands and waters and the achievement of goals identified in an adopted open-space or resource plan;
 - (c) The objectives of the project are clearly stated in the proposal, and the applicant has the ability to carry out those objectives;

- (d) The detail and design of the project is adequate and includes a detailed plan for management of the project that specifies the manner in which the project will be maintained and the manner in which the project will remain consistent with the purpose of the program;
- (e) The projected budget and associated costs of the project are reasonable and detailed, the amount and sources of matching contributions are listed and the project will meet the stated objectives in a cost-effective manner;
- (f) The extent in which the project is a cooperative effort with other agencies, organizations or persons and the extent of the support for the project from counties, local government, and other public entities;
- (g) The extent in which climate resiliency or degree to which sustainability practices are incorporated into a project; and
- (h) Any other factor the Director or their designee considers to be important in the ranking process, including without limitation:
 - (1) The urgency of the need for a project;
 - (2) That the applicant provides for matching contributions that exceed the match required in Section 33.
 - (3) The applicant for acquisition of land includes the acquisition of water rights or another interest that will remain with the land in perpetuity;
 - (4) The existence of a local need for the project that warrants special attention for the project due to a lack of similar opportunities in the local area:
 - (5) The level in which a project has received a fund match that can leverage bond proceeds in a way that optimizes general obligation bond proceeds of the State; and
 - (6) The potential benefit to the residents of Nevada.
- 2. The factors of environmental significance, as described in Section 32.
- 3. The Nevada Conservation and Recreation Fund shall to the extent practical use an advisory committee to review applications and make recommendations for funding selection by the Nevada Conservation and Recreation Fund. The program may consider a recommendation by an advisory committee when ranking projects pursuant to Section 29.
- 4. In forming an advisory committee, the Program may consider diversity, expertise in a funding area, geographic distribution, community representation, and other elements determined necessary for the review of grant applications.
- 5. The Director or their designee may review the recommendation made by an advisory committee and the project ranking provided by the Program Manager in assessing which projects to fund. The decision of the Director or their designee is final. An application that is not selected by the Director or their designee to receive a grant may be resubmitted for a grant to be awarded at a future date.

Sec. 33. Amount and eligibility of matching contributions.

- 1. To receive a grant pursuant to Section 29, an applicant must provide a matching contribution of not less than 10 percent of the total cost of the project.
- 2. A matching contribution is eligible for the purposes of this section if the matching contribution is for a project initiated within two years of receiving a grant award from the Nevada Conservation and Recreation Fund, if it is directly related to the project or acquisition and if it includes:
 - (a) Cash;
 - (b) Planning, labor, including volunteer labor, appraisals, equipment rental and material costs;
 - (c) Federal or other state contributions exclusive of the Nevada Conservation and Recreation Fund;
 - (d) Any costs associated with required environmental information for the project or acquisition, the documentation of which must be submitted with the application;
 - (e) Costs incurred for the establishment of a monitoring program to monitor the success of a project;
 - (f) Any other matching contribution not listed in subsection 3, subject to the approval of the contribution by the Director of their designee; or
 - (g) Any combination of paragraphs (a) to (g), inclusive.
- 3. The following matching contributions, without limitation, do not qualify as eligible matching contributions for the purposes of this section:
 - (a) Costs associated with the preparation of the application;
 - (b) In-kind services that do not relate to the project or the purpose of the program;
 - (c) Money expended two-years prior to a grant award by the Nevada Conservation and Recreation Fund, or July 1, 2019, whichever is later;
 - (d) Other money granted pursuant to the Nevada Conservation and Recreation Fund; and
 - (e) Any other matching contribution the Director or their designee determines is an inappropriate matching contribution.

Sec. 34. Agreement between Department and recipient of money: Authorized and prohibited uses of money.

- 1. The Department and the recipient of any money pursuant to a grant, contract or agreement made pursuant to Section 29 through 36 inclusive, shall enter into an agreement that:
 - (a) Authorizes the recipient to use the money from the grant, contract, or agreement to pay for:

- (1) All expenses related directly to the project or acquisition, including, without limitation, expenses related to the planning, design and construction of the project which must be calculated based on actual costs; and
- (2) The documented administrative costs of the project, not to exceed 3 percent of the total cost of the project.
- (b) Prohibits the recipient from using the money from the grant, contract, or agreement to pay for:
 - (1) Any planning activity that is not directly related to the design and engineering of the project;
 - (2) The purchase of new equipment, unless the Director or their designee has determined that the new equipment is necessary as a one-time purchase specific to the project;
 - (3) Any work required by a public agency as mitigation or as a condition of the approval of any other project;
 - (4) Any component of the project that the Director or their designee determines not to provide a direct public benefit;
 - (5) Any project or portion of a project that has already been completed;
 - (6) Any other expenses that the Director or their designee determines are not necessary to carry out the purposes of Section 29 through 36 inclusive, or that are not in compliance with the intent of the Nevada Conservation and Recreation Fund.
- 2. That shall establish a timeline for the expense of awarded funds and reversion of interest and funds not utilized in accordance with the agreement.
- Sec. 35. Agreement between Department of Conservation and Natural Resources and recipient of money: Miscellaneous requirements.
 - 1. The Department and the recipient of any money pursuant to a grant, contract, or agreement pursuant to Section 29 through 36 inclusive shall enter into an agreement that requires the recipient to:
 - (a) Provide a matching contribution which should meet or exceed the amount specified in Section 33.
 - (b) Provide a plan for the operation and maintenance of the project for not less than 20 years after the project is completed.
 - (c) Agree to:
 - (1) Ownership of a full or partial interest in any property that is deemed by the Director or their designee necessary for the project;
 - (2) Include pertinent nonrevocable deed restrictions and appropriate reversionary clauses to ensure that at all times the land, water, or property is maintained in a manner consistent with the purpose of the Nevada Conservation and Recreation Fund.

- (3) Include a stewardship statement that addresses maintenance, monitoring and enforcement of weed control, dust control and other related issues.
- (4) Shall include the provisions outlined in Section 36.
- (d) Agree to any additional conditions that the Director or their designee determines are necessary to carry out the purpose of Section 29 through 36, inclusive, or the intent of the program.
- (e) Obtain such easements for conservation or other interests in land or water in perpetuity, or as otherwise approved by the Director or their designee, as are necessary to carry out the project.
- 2. If the project consists of an acquisition of an interest in land or water the Director or their designee in coordination with the State Lands Registrar shall review contracts and documents related to the acquisition and may require adjustments or modification prior to their execution. The Director or their designee shall require that interest in land or water be held by the State in accordance with the 2019 Statutes of Nevada, Chapter 480.
- 3. Acknowledge that any interest in land or water acquired by a county, conservation district, water conservancy district, local government, state agency or nonprofit pursuant to the Nevada Conservation and Recreation Fund shall:
 - (a) Be acquired and held by the State of Nevada through the Division of State Lands pursuant to chapter 321 of NRS and in accordance with the 2019 Statutes of Nevada, Chapter 480; and
 - (b) Not be acquired by condemnation or the power of eminent domain.
- 4. Maintain an accurate accounting of all expenditures made from money received pursuant to the program and allow the Department to authorize an independent audit, or to review the accounting upon request.
- 5. If the recipient requests that the entire amount of a grant or a portion thereof be provided in advance, they shall demonstrate an extraordinary need and enter into an agreement with the Department that delineates the specific reporting methods that will be used, including, without limitation, quarterly expense reports and a quarterly project status report that details the timelines of the project. Projects shall not hold advanced grant funds in excess of one-year unless otherwise authorized by the Director or their designee. Unused funds and interest revert to the Nevada Conservation and Recreation Fund.
- 6. Provide the Department with quarterly reports and expense reports on a quarterly basis on forms provided by the Nevada Conservation and Recreation Fund until a completion report is submitted. Recipient shall provide appropriate support materials, plans, receipts, invoices, and pictures as part of their quarterly reports as agreed upon by the Department and the recipient to ensure timely and accurate disbursement of grant money.
- 7. Provide quarterly project updates on or before October 31, January 31, April 30, and July 31 that should include expenditures, photos, project documents, schedule updates, and a summary of actions taken since prior report.

- 8. Provide the Nevada Conservation and Recreation Fund with a schedule for implementation of the funded grant and set forth a completion date.
- 9. Provide that a grant award shall be expended within three years of receiving a grant award from the Nevada Conservation and Recreation Fund and that the Director or their designee may revoke a grant award if funding has not been expended on schedule or within three years.
- 10. That land or water or interest in land or water that are acquired for public access must remain open to the public in perpetuity.
- 11. Allow site visits by the Department of Conservation and Natural Resources to the project site for the lifetime of the project.

Sec. 36. Restrictions pertaining to projects funded with general obligation bonds and the retention and conveyance of property acquired through the program.

- 1. No project funded under the authority of the 2019 Statutes of Nevada, Chapter 480 shall be converted from such use or intent approved through a grant award, work plan, or funding agreement for a project prior to the 20-year maturity date of a general obligation bond issued for said project. Unless authorized by the Director or their designee with exception to those projects called out in Section 36, Subsection 2 and 3.
- 2. In accordance with Section 3, Subsection 8 of the 2019 Statutes of Nevada, Chapter 480 any interest in land or water acquired to preserve, protect, or obtain the benefit of the property and natural and cultural resources of the State for such purpose shall be held by the State in perpetuity unless determined to no longer meet such intent. This determination may be made by the State Lands Registrar in consultation with the Director or their designee. Upon such determination this land or water interest may be disposed of following the process laid forth in Section 3, 2019 Statutes of Nevada, Chapter 480.
- 3. Public access shall be maintained for property developed, acquired, preserved, or protected for recreational purposes or with the express intent of public access under the program except for restrictions that support the continued stewardship and management of the property in order to maintain its recreational value.
- 4. The Director or their designee may periodically review the status of a funded project or conduct a site visit to a funded project in accordance with Section 35, Subsection 11. This review or site visit may assess that a project continues to comply with all agreements outlined in Section 34 and 35, and requirements of Section 36, Subsection 1 through 3. Where there is a violation of an agreement as stipulated in Section 34 and 35 or a violation of Section 36, Subsection 1 through 3 the Department may issue a letter of violation by certified mail which shall include the violation and ways in which the entity or person responsible for the project may correct the violation.
- 5. If a recipient of funds under the 2019 Statutes of Nevada, Chapter 480 fails to take corrective action as stipulated in Section 36, Subsection 4 within ninety (90) days of receiving a letter of violation the Director or their designee may take action that will require the recipient to:

- (a) Remit to the State a sum equivalent to the amount of the grant awarded, together with interest thereon at the rate of 10% per annum, commencing from the date of the recipient's project completion until the date paid; or
- (b) Require the recipient to convey any property acquired for no consideration, to the State for the Permitted Use; or upon rejection of the state to convey the property, for no consideration, to a Nonprofit Conservation Organization active within the State of Nevada; or to another organization authorized by the Director or their designee; or
- (c) Provide for an equivalent property or project that meets the intent of the original grant award or work plan as determined by the Director or their designee.