

PUBLIC LAND MANAGEMENT IN THE 21ST CENTURY: DELEGATION OF RESPONSIBILITY TO STATE AND LOCAL GOVERNMENTS

PRESENTATION TO THE NEVADA LAND
MANAGEMENT TASK FORCE

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Topics To Be Discussed

- Eureka County Initiatives
- State vs. Federal Management: An Economic Comparison
- Revenue and Expenditure Models for Expanded State of Nevada Land Base
- Concluding Observations

EUREKA COUNTY INITIATIVES

- “Identification of Public Land Transfer Issues and Preliminary Comparative Economic Analysis”, Resource Concepts, Inc. and Intertech Services Corporation, Nov. 1994
- “Eureka County Alternatives: A Decision Tree of Decision Possibilities and Options”, Mediation and Public Management, Inc., June 1995
- “Eureka County's Plan for Nevada's Public Land”, Mediation and Public Management, Inc., July 1995

EUREKA COUNTY INITIATIVES CONT'D.

- “Alternatives for Management of an Expanded State Land Base in Nevada”, Intertech Services Corporation and Resource Concepts, Inc., February 1996
- “Managing Public Land in Nevada: A Strategy for Encouraging Public Discourse on the Need for and Design of Enhanced State and Local Government Roles”, Intertech Services Corporation, August 1996
- Presentations
 - Owyhee Cattlemen’s Association, Murphy, ID, 2/8/97
 - NV Legislative Workshop on Public Lands, Carson City, NV, 1/15/97
 - Western States Coalition, Salt Lake City, UT, 11/16/1996
 - Lt. Governor Lonnie Hammargren, Las Vegas, NV, 3/4/96

STATE VS. FEDERAL MANAGEMENT: AN ECONOMIC COMPARISON

- States Can and Do Manage Public Lands Profitably (Table 2 from 1996 Intertech Report)
- BLM Consistently Spends More Than It Takes In To Manage Public Land (Table 2 from 1996 Intertech Report)
- BLM Labor Is Less Efficient Than States in Managing Land (Table 4 from 1996 Intertech Report)
- Wildfire Suppression Costs Are Greater Per Acre for BLM than for States (Tables 9 and 14 from 1996 Intertech Report)

Multi-State Observed High, Observed Low, and Average Management Costs and Revenues for States and BLM: Selected States, 1989-1994

	Multi-State Averages ¹					
	States			BLM		
	Observed High	Observed Low	Average	Observed High	Observed Low	Average
Revenues	\$133,243,099	\$24,879,522	\$62,313,472	\$4,619,065	\$1,847,799	\$3,126,573
Expenses	\$21,524,275	\$5,703,916	\$11,416,671	\$40,072,452	\$20,286,000	\$29,156,971
Net Profit (Loss)	\$127,539,183	\$15,610,897	\$50,896,802	(\$18,438,201)	(\$35,453,387)	(\$26,030,398)
Total Acres Managed	13,320,000	2,389,144	7,222,470	22,092,130	11,863,284	15,212,061
Revenues Per Acre	\$15.96	\$5.72	\$9.48	\$0.36	\$0.12	\$0.22
Expenses Per Acre	\$9.01	\$0.43	\$3.20	\$3.11	\$1.13	\$2.08

Source: Table 2 from “Alternatives for Management of a Expanded State Land Base in Nevada”, Intertech Services Corporation, prepared for Eureka County, Nevada, February , 1996.

Multi-State Observed High, Observed Low, and Average Management Costs and Revenues for States and BLM: Selected States, 1989-1994 Cont'd.

Net Profit Per Acre	\$9.57	\$4.36	\$6.29	(\$2.75)	(\$1.01)	(\$1.86)
Acres Per FTE	95,037	9,888	50,817	73,178	15,549	35,684
Revenues Per FTE	\$949,088	\$152,437	\$425,366	\$9,154	\$4,398	\$6,179
Net Profit Per FTE	\$908,571	\$63,761	\$355,100	(\$42,680)	(\$73,273)	(\$51,751)
Grazing Revenues	\$5,901,873	\$437,464	\$2,313,048	\$3,024,634	\$807,132	\$1,812,621
Grazing Revenues/Acre	\$0.68	\$0.12	\$0.41	\$0.27	\$0.07	\$0.15
AUMs Per Acre	0.1968	0.0571	0.1312	0.1721	0.0652	0.1084
Timber Revenues	\$25,408,596	\$24,259	\$12,716,428	\$738,673	\$11,934	\$212,391

Source: Table 2 from "Alternatives for Management of an Expanded State Land Base in Nevada", Intertech Services Corporation, , prepared for Eureka County, Nevada, February , 1996.

Multi-State Observed High, Observed Low, and Average Public Land Management Employment Levels for States and BLM: Selected States, 1989-1994

	Multi-State Averages ¹					
	Observed High		Observed Low		Average	
	States	BLM	States	BLM	States	BLM
Total FTE's	242.1	829.4	94.34	303.15	159.46	535.83
Acres Per FTE	95,037	73,178	9,888	15,549	50,817	35,684
Revenues Per FTE	\$949,088	\$9,154	\$152,437	\$4,398	\$425,366	\$6,179
Expenses Per FTE	\$90,757	\$82,427	\$40,517	\$47,991	\$70,266	\$57,930
Net Profit Per FTE	\$908,571	(\$42,680)	\$63,761	(\$73,273)	\$355,100	(\$51,751)

Source: Table 4 from "Alternatives for Management of a Expanded State Land Base in Nevada", Intertech Services Corporation, , prepared for Eureka County, Nevada, February , 1996.

Frequency, Acreage Burned, and Pre-Suppression Costs of Fires On, Or Threatening, Lands Administered By BLM Within Nevada Fiscal Years 1990 - 1993

Year	Fires Suppressed ¹			Acres Burned ¹			Acres/Fire	NSO Fire Pre-Suppression Cost \$/Fire	NSO Fire Pre-Suppression Cost/Acre
	BLM	Non-BLM	Total Fires	BLM	Non-BLM	Total Acres Burned			
1990	323	118	441	5,322	8,398	23,720	54	\$ 3,114,385	\$7,062 \$ 131.30
1991	364	110	474	18,119	8,459	26,578	56	\$ 3,868,222	\$8,161 \$ 145.54
1992	395	88	483	5,295	22,768	48,063	100	\$ 4,872,594	\$10,088 \$ 101.37
1993	278	75	353	6,716	5,813	52,529	149	\$ 5,495,153	\$15,567 \$ 104.61

Source: Table 9 from “Alternatives for Management of a Expanded State Land Base in Nevada”, Intertech Services Corporation, , prepared for Eureka County, Nevada, February , 1996.

Four-State Average Wildland Fire Suppression Costs (Nevada, Utah, Arizona, New Mexico)

Year	No. Fires	No. Acres Burned	Suppression Cost	Cost Per Acre Burned	Acres Per Fire	Cost Per Fire
1991	418	17,632	\$ 639,867	\$36.29	42	\$1,531
1992	515	44,245	1,224,811	27.68	85	2,378
1993	912	79,589	1,549,145	19.46	87	1,699
1994	764	116,208	2,893,842	24.90	152	3,788

Source: Table 14 from “Alternatives for Management of a Expanded State Land Base in Nevada”, Intertech Services Corporation, , prepared for Eureka County, Nevada, February , 1996.

Five Year Revenues and Expenditures for State Land Management Activities in Selected States (1989-1993)

	Arizona	Idaho	New Mexico	Utah
Revenues	\$53,996,095	\$37,135,172	\$133,243,099	\$24,879,522
Expenses	\$9,853,056	\$21,524,275	\$5,703,916	\$8,585,435
Net Profit (Loss)	\$44,143,039	\$15,610,897	\$127,539,183	\$16,294,087
Total Acres	9,442,484	2,389,144	13,320,000	3,738,252
Revenue per Acre	\$5.72	\$15.56	\$10.00	\$6.66
Expenses per Acre	\$1.04	\$9.01	\$0.43	\$2.30
Net Profit per acre	\$4.67	\$6.54	\$9.57	\$4.36

Source: Table 11 from "Identification of Public Land Transfer Issues and Preliminary Comparative Economic Analysis", Resource Concepts, Inc, and Intertech Services Corporation, , prepared for Eureka County, Nevada, November 22, 1994.

Estimated Revenues and Expenditures for Expanded State Land Management Activities in Nevada Using Other State Fiscal Models

	Arizona Model	Idaho Model	New Mexico Model	Utah Model	Average Model
Total Acres (1992)	47,966,217	47,966,217	47,966,217	47,966,217	47,966,217
Revenues per Acre	\$5.72	\$15.56	\$10.00	\$6.66	\$9.48
Expenses per Acre	\$1.04	\$9.01	\$0.43	\$2.30	\$3.20
Net Profit per Acre	\$4.67	\$6.54	\$9.57	\$4.36	\$6.29
Revenues	\$274,191,774	\$746,150,851	\$479,831,253	\$319,273,023	\$454,861,725
Expenses	\$50,076,166	\$432,376,759	\$20,556,537	\$110,146,840	\$153,289,070
Net Profit	\$224,115,628	\$313,774,092	\$459,274,716	\$209,126,183	\$301,572,655

Source: Table 13 from “ Identification of Public Land Transfer Issues and Preliminary Comparative Economic Analysis”, Resource Concepts, Inc, and Intertech Services Corporation, , prepared for Eureka County, Nevada, November 22, 1994.

Summary Comparison of State Land Management Revenue, Cost and Net Revenue Estimates Per Acre: State of Nevada and Selected Adjacent States

	Nevada Scenario A	Nevada Scenario B	Arizona	Idaho	New Mexico	Utah
Revenue Per Acre	\$3.58	\$5.72	\$5.72	\$15.56	\$10.00	\$6.66
Expenses Per Acre	\$0.38	\$3.20	\$1.04	\$9.01	\$0.43	\$3.20
Net Revenue Per Acre	\$3.20	\$2.52	\$4.67	\$6.54	\$9.57	\$6.29

- Scenario A derived through trend analysis of combined five-year average data for other states considered.
- Scenario B based upon application of lowest average revenue per acre and highest (excluding Idaho) average expense per acre.

Source: Table 14 from “ Identification of Public Land Transfer Issues and Preliminary Comparative Economic Analysis”, Resource Concepts, Inc, and Intertech Services Corporation, , prepared for Eureka County, Nevada, November 22, 1994.

Public Land Management Framework

Economic Land Uses

Recreation

- Big Game Hunting
- Small Game Hunting
- Waterfowl Hunting
- Upland Game Bird Hunting
- Trapping
- Boating
- Fishing
- Hiking
- Camping
- RV Use
- Rockhounding
- Cross-Country Skiing
- Alpine Skiing
- Archeology
- Landsailing
- Backpacking
- Trailriding
- Photography
- Snowmobiling
- Wildlife Viewing

Agriculture

- Water Storage & Transmission
- Grazing

- Farming
- Aquaculture
- Landscape Plants

Forestry

- Posts and Rails
- Pulp
- Woodchips
- Christmas Trees
- Pine Nuts
- Chemical Extracts

Energy

- Oil
- Gas
- Woodchips
- Geothermal
- Solar
- Hydropower
- Biomass
- Wind

Development

- Summer Homes
- Ranchettes
- Summer Camps

- Pack Stations
- Dude Ranches
- Telecommunications Sites
- Transportation Easements
- Utility Easements
- Industrial Parks
- Commercial Sites
- Housing
- Airports
- Govt. Installations
- Community Facilities

Mining

- Landscape Materials
- Precious Metals Mining
- Industrial Metals Mining
- Industrial Minerals Mining
- Sand and Gravel
- Topsoil

Other

- Movie Production
- Advertising
- Feral Horse Mgt.
- Airspace Easements

Observations

- Revenues would exceed expenditures from administration of an expanded State land base in Nevada.
- States, particularly under trust arrangements, are fully capable of managing land in a manner which produces long-term profits under conditions of sustained yield.
- Consensus regarding public land management alternatives among various parties will likely only result after questions about land management outcome are resolved.
- Most other western states managing lands pursuant to a trust arrangement have established permanent funds to which certain revenues from land management activities are deposited.
- Various revisions to Nevada Revised Statutes will be necessary to facilitate acceptance of transferred public land to administration by the state and/or counties.
- It would appear as though most previous efforts have failed because a broad consensus within Nevada was not reached on the management structure which would be operative.
- The prospect of reducing federal expenditures by a billion or more dollars may convince Washington politicians to seek the consent of states to assume responsibility for management of public lands.
- Nevada would benefit from an organized public discourse about alternative public land management options initiated in the near future.



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