

ADAM PAUL LAXALT  
Attorney General



J. BRIN GIBSON  
First Assistant Attorney General

NICHOLAS A. TRUTANICH  
Chief of Staff

KETAN D. BHIRUD  
General Counsel

STATE OF NEVADA  
OFFICE OF THE ATTORNEY GENERAL  
100 North Carson Street  
Carson City, Nevada 89701

6D

## MEMORANDUM

**DATE:** December 21, 2018

**TO:** Nevada Board of Wildlife Commissioners  
Tony Wasley, Director, Nevada Department of Wildlife

**FROM:** Bryan L. Stockton, Senior Deputy Attorney General  
Joshua Woodbury, Deputy Attorney General

**SUBJECT:** Litigation Update

1. *E. Wayne Hage v. United States*, (Federal Circuit, DC). Hage alleged, among other things, that the United States effected a taking of his private property when it allowed the release of elk on public lands. Hage alleged the release of elk reduced the available forage and water for his cattle. Trial held in Reno from May 3–21, 2004. NDOW sought to intervene as a defendant in the lawsuit, but was denied by the Claims Court. NDOW granted amicus status and filed a brief in support of the United States in the Claims Court. The Claims Court awarded Hage \$4,372,355.20 for his takings claims and the U.S. appealed. NDOW filed an amicus brief in support of the United States with the Federal Circuit. Oral argument held on April 3, 2012. The Federal Circuit reversed and vacated the award of damages. The 9<sup>th</sup> U.S. Circuit Court of Appeals ruled in favor of the federal government remanding the case to a new federal judge because of apparent bias on the part of U.S. District Judge Robert Clive Jones.

2. *United States, et al. v. Truckee-Carson Irrigation District, et al.* (9th Circuit, San Francisco). An appeal of a judgment against the TCID for excess diversions of water. NDOW appealed to protect its water rights and interests. The 9<sup>th</sup> Circuit dismissed NDOW from the case: “[NDOW was] not injured or affected in any way by the judgment on remand from *Bell*, and thus do not have standing on appeal.” In a subsequent appeal the 9<sup>th</sup> Circuit ruled that the “Tribe is entitled to recoup a total of 8,300 acre-feet of water for the years 1985 and 1986.” *U.S. v. Truckee-Carson Irrigation Dist.*, 708 Fed.Appx. 898, 902 (9th Cir. Sept. 13, 2017). TCID recently filed a Motion for Reconsideration based on *Kokesh v. Securities and Exchange Commission*, 137 S.Ct.1635 (2017); arguing that the

recoupment is actually a penalty and a five-year statute of limitations applies. The Tribe filed its opposition. *Argument on the Motion will be heard January 3, 2019.*

3. *United States and Walker River Paiute Tribe v. Walker River Irrigation Dist., et al. (Walker River Litigation)*, (USDC, Reno). This action involves federal, tribal and Mineral County claims for additional water from Walker River, in addition to those already established by the Walker River Decree. NDOW and others moved to dismiss certain claims against groundwater rights by the United States.

The District Court ruled in subfile 3:73-CV-00127-RCJ-WGC, that the United States' action to acquire federal reserved water rights for the Walker River Paiute Tribe and several smaller tribes within the Walker River watershed were to be dismissed on "preclusion"; a doctrine that means the U.S. had its chance to make claims at the time of the original decree but failed to do so and thus cannot make them now. The Ninth Circuit Court of Appeals reversed the District Court's decision mostly based on the fact that the United States and the Tribe had not been given a chance to brief the issue before the District Court. *A status hearing was held December 19, 2019. The parties are working on a plan for the United States and Tribe to file a more definitive statement of claims and the parties will then file answers. The next status hearing will be held January 30, 2019.*

Mineral County filed a motion for the court to recognize a public trust duty to provide water to Walker Lake to support the fishery therein. The district court held that Mineral County did not have standing to pursue the public trust claims. Mineral County filed an appeal of this issue. The Court also went on to expound on the issue of whether the shift of water from irrigators to the lake under the public trust law would be a taking of property under the 5<sup>th</sup> Amendment. The Court held that it would be a taking and that the State would have to pay compensation to each water right holder that is displaced by water that would have to be sent to Walker Lake. Finally, the Court went on to hold that decision whether to take the water was a non-justiciable political question. The Ninth Circuit held that the Public Trust Doctrine is a state-law issue and can vary from state-to-state. The court held that the issue has not been squarely decided in Nevada and Certified questions to the Nevada Supreme Court. The Ninth Circuit Court of Appeals issued an amended order certifying a second question to the Nevada Supreme Court concerning the issue of whether reallocating water from decreed uses to public trust values would be a constitutional taking that would require compensation. The Nevada Supreme Court accepted the second certified question and briefing is in progress.

4. *Mark Smith, Donald A. Molde & Smith Foundation v. State of Nevada Board of Wildlife Commissioners & NDOW (Second Judicial District, Reno)*. Plaintiffs brought action against Nevada Board of Wildlife Commissioners and NDOW for Declaratory and Injunctive Relief regarding the recently promulgated trapping regulation (LCB File No. R087-14: Commission General Regulation 450). Plaintiffs assert the regulation is void and unenforceable. Plaintiffs assert that the enabling statute NRS 503.570 is

unconstitutional as it is a violation of the separation of powers doctrine. Plaintiffs aver that the legislature unlawfully delegated its law-making function to the Commission to set trap visitation intervals and thus a violation of the separation of powers doctrine. On November 26, 2014, the Court denied Plaintiffs' Motion for Injunctive Relief holding: "Upon review of the Motions and the oral arguments thereon, the Court finds injunctive relief is not warranted as this issue is not just ripe for judicial determination". On December 11, 2014, Plaintiffs' filed their First Amended Complaint and for Declaratory and Injunctive Relief with Petition for Issuance of Writ of Mandamus and/or Prohibition. Plaintiffs' Amended Complaint asserts that Plaintiff Molde's dog has been trapped on more than one occasion to establish legal standing on behalf of Molde. Plaintiffs' Writ of Mandamus asserts that the Commission is obligated by law to develop plans for wildlife management as it relates to the unintentional trapping of non-targeted animals. Defendants filed its responses to Plaintiffs' motions and Amended Complaint. Plaintiffs' have filed their Response to Defendants' opposition.

On April 4, 2016, Commission General Regulation 450 – LCB File No. R087-14 was adopted and recorded by the Secretary of State. The Court was informed of the adoption of Regulation 450 and the Department's decision to deny passing on the regulation pursuant to NRS 233B.110(1). On January 17, 2017, Plaintiffs' filed a partial Motion for Summary Judgment asserting the Legislature improperly delegated authority to the Commission to promulgate a trapping regulation. NDOW filed its Opposition to Motion for Partial Summary Judgment on January 31, 2017. Plaintiffs filed their Reply on February 7, 2017. On April 10, 2017 the court issued an order denying the Motion for Summary Judgment and held that "the fact that the Legislature provided sufficient standards and guidelines for the Commission will be deemed established in all further proceedings." The Commission and NDOW filed a Motion for Summary Judgment and the Plaintiffs filed a Motion for Partial Summary Judgment. The District Court granted the Motion for Summary Judgment. The Court clarified that its review would be limited to whether the regulation was within the statutory authority granted to the Commission and found that the regulation was valid. Plaintiffs filed for Reconsideration. *The Motion for Reconsideration was denied and Plaintiffs have appealed to the Nevada Supreme Court. The matter has been assigned to the settlement program and a conference is set for March 14, 2019.*

5. *Mark Smith v. Brian Wakeling et al.*, (California Superior Court). Smith brings an action for Defamation based on statements of certain NDOW employees. The principal basis for Smith's claim is a slide included in a presentation to Truckee law enforcement addressing concerns with wildlife advocates, and questioning whether their actions solicit harassment or engage in domestic terrorism. Smith alleges that purported misrepresentations about him have damaged his reputation and his non-profit wildlife advocate entities.

A hearing was held on December 11, 2017 on Defendants' Motion to Quash Service of Summons and a Motion to Strike. Because all named parties are Nevada

residents, the Truckee, California Court held that substantial justice requires the action be heard in Nevada. The Court stayed the case, pending a resolution of all issues in Nevada. The Attorney General's Office has appealed on the limited issue of whether the California court may exercise jurisdiction over Nevada without its consent. A Petition for Writ of Certiorari has been filed with the U.S. Supreme Court.

6. *Nevada Wildlife Alliance v. Nevada*, Second Judicial District, CV 18-01073, Dept I. Plaintiffs challenge the constitutionality of NRS 502.253 (4)(b) which requires that

The Department:

(b) Shall not adopt any program for the management and control of predatory wildlife developed pursuant to this section that provides for the expenditure of less than 80 percent of the amount of money collected pursuant to subsection 1 in the most recent fiscal year for which the Department has complete information for the purposes of lethal management and control of predatory wildlife.

The First Amended Complaint was served on June 5, 2018. The Complaint generally alleges that Plaintiffs activities in viewing wildlife should be classified as a fundamental constitutional right and that the law should have to pass the highest level of review.

A Motion to Dismiss was filed on July 19, 2018. The Motion argues that viewing wildlife should be reviewed under the rational basis test for constitutionality. "Under the rational basis standard, legislation will be upheld so long as it is rationally related to a legitimate governmental interest." *Williams v. State*, 118 Nev. 536, 542, 50 P.3d 1116, 1120 (2002). Briefing is complete and the Motion has been submitted to the Court for decision. *Oral argument will be heard on January 11, 2019.*

7. *Smith v. Wakeling*, Second Judicial District, CV18-01389, Dept. 7. Smith brings an action for Defamation based on statements of certain NDOW employees. The principal basis for Smith's claim is a slide included in a presentation to Truckee law enforcement addressing concerns with wildlife advocates, and questioning whether their actions solicit harassment or engage in domestic terrorism. Smith alleges that purported misrepresentations about him have damaged his reputation.

Smith also claims his rights under the First Amendment were infringed when he was blocked from commenting on an NDOW Facebook page. Smith was blocked in 2012 for multiple violation of the rules governing use of the page. Smith moved for a preliminary injunction. A hearing on the Motion was held on July 27, 2018. The Court denied the Injunction, but ordered NDOW to allow Smith access to the Facebook page and at the same time admonished Smith to follow the terms of use.

NDOW – Litigation Update  
December 21, 2018  
Page 5

Smith filed an Amended Complaint, adding the entities named as Plaintiffs in the Ridgetop Holdings LLC v. Wakeling case in California, as Plaintiffs in this case. NDOW and the individually named Defendants Answered Plaintiff's First Amended Complaint on August 29, 2018. *The parties have begun discovery and a trial date has been set for December 16-19, 2019.*

*\*Indicates the matter is resolved and will not appear on future litigation updates.*

*Italicized material, if any, (other than case name) is updated information since the last litigation update.*