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FIRST REPRINT

S.B. 250

SENATE BILL NO. 250—SENATORS SETTELMAYER, GOICOECHEA,
HARDY; HANSEN AND SEEVERS GANSERT

MARCH 5, 2019

Referred to Committee on Natural Resources

SUMMARY—Revises provisions relating to the dedication of water rights. (BDR 48-664)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to water; establishing certain requirements relating to the dedication of certain rights to appropriate water; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law authorizes the State Engineer to require the dedication of a right to
2 appropriate water in certain circumstances before approving a parcel map. (NRS
3 534.120) Existing law also authorizes the governing body of a county or city to
4 adopt ordinances to regulate land, which may include an ordinance that requires the
5 dedication of a right to appropriate water before approving the development,
6 division or subdivision of a parcel of land. (NRS 278.020) **Sections 1 and 3** of this
7 bill provide that before a supplier of water may require the dedication of a right to
8 appropriate water in order to ensure a sufficient supply of water to certain parcels,
9 the dedication requirement must be: (1) required pursuant to an ordinance,
10 published rule or regulation adopted by the supplier of water; and (2) based on
11 certain information and considerations. **Sections 1 and 3** prohibit, with limited
12 exception, a supplier of water from selling a right to appropriate water that has been
13 dedicated pursuant to an ordinance, published rule or regulation adopted by the
14 supplier of water.



* S B 2 5 0 R 1 *

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 533 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *Before a supplier of water may require the dedication of a*
4 *right to appropriate water in order to ensure a sufficient supply of*
5 *water to provide new or modified water service to one or more*
6 *parcels, the dedication requirement must:*

7 (a) *Be required pursuant to an ordinance, published rule or*
8 *regulation adopted by the supplier of water;*

9 (b) *Be based on reliable data and procedures estimating*
10 *demand;*

11 (c) *Consider any requirements for a sustainable water supply;*
12 *and*

13 (d) *Consider historic usage by similar existing water services.*

14 2. *Except as otherwise provided in this subsection, a supplier*
15 *of water may not sell a right to appropriate water that has been*
16 *dedicated pursuant to subsection 1. This subsection does not apply*
17 *to:*

18 (a) *Mergers and acquisitions of a water system owned or*
19 *operated by a utility; or*

20 (b) *Transactions by the supplier of water in furtherance of*
21 *developing or maintaining a sustainable water supply.*

22 3. *As used in this section, "supplier of water" has the*
23 *meaning ascribed to it in NRS 540.121.*

24 **Sec. 2.** (Deleted by amendment.)

25 **Sec. 3.** Chapter 278 of NRS is hereby amended by adding
26 thereto a new section to read as follows:

27 1. *Before a supplier of water may require the dedication of a*
28 *right to appropriate water in order to ensure a sufficient supply of*
29 *water to provide new or modified water service to one or more*
30 *parcels that will be developed, divided or subdivided pursuant to*
31 *the provisions of this section and NRS 278.010 to 278.630,*
32 *inclusive, the dedication requirement must:*

33 (a) *Be required pursuant to an ordinance, published rule or*
34 *regulation adopted by the supplier of water;*

35 (b) *Be based on reliable data and procedures estimating*
36 *demand;*

37 (c) *Consider any requirements for a sustainable water supply;*
38 *and*

39 (d) *Consider historic usage by similar existing water services.*

40 2. *A supplier of water may not sell a right to appropriate*
41 *water that has been dedicated pursuant to subsection 1. This*
42 *subsection does not apply to:*



1 *(a) Mergers and acquisitions of a water system owned or*
2 *operated by a utility; or*

3 *(b) Transactions by the supplier of water in furtherance of*
4 *developing or maintaining a sustainable water supply.*

5 3. *As used in this section, "supplier of water" has the*
6 *meaning ascribed to it in NRS 540.121.*

7 **Sec. 4.** NRS 278.010 is hereby amended to read as follows:

8 278.010 As used in NRS 278.010 to 278.630, inclusive, *and*
9 *section 3 of this act*, unless the context otherwise requires, the
10 words and terms defined in NRS 278.0103 to 278.0195, inclusive,
11 have the meanings ascribed to them in those sections.

12 **Sec. 5.** (Deleted by amendment.)

13 **Sec. 6.** This act becomes effective upon passage and approval.



