

SENATE BILL NO. 47—COMMITTEE ON NATURAL RESOURCES

(ON BEHALF OF THE DIVISION OF WATER RESOURCES
OF THE STATE DEPARTMENT OF
CONSERVATION AND NATURAL RESOURCES)

PREFILED NOVEMBER 16, 2016

Referred to Committee on Natural Resources

SUMMARY—Makes various changes relating to the appropriation
of water. (BDR 48-499)

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

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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; revising provisions relating to certain applications to appropriate water; revising provisions relating to certain fees collected by the State Engineer; revising the time period in which the State Engineer must declare a forfeiture of certain water rights; revising provisions relating to temporary permits to appropriate water; revising provisions relating to domestic wells; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires any person who wishes to appropriate public waters to
2 apply to the State Engineer for a permit to do so. (NRS 533.325) **Section 1** of this
3 bill revises the requirements for an application for a permit to appropriate water.
4 **Section 2** of this bill requires the State Engineer to publish notice of an application
5 to appropriate water in a newspaper of general circulation where the point of
6 diversion is located.

7 Existing law requires the State Engineer to conduct an inventory of a basin
8 from which water is to be exported before approving an application for an
9 interbasin transfer of more than 250 acre-feet of groundwater if the basin has not
10 previously been studied or inventoried. (NRS 533.364) **Section 3** of this bill
11 requires the State Engineer to instead conduct the inventory before approving an
12 application, or group of applications collectively applying, for an interbasin transfer
13 of more than 25 percent of the perennial yield or 1,000 acre-feet of groundwater,
14 whichever is less.

15 Upon approving an application for a permit to appropriate water, existing law
16 authorizes the State Engineer to extend the deadline by which construction related



17 to the appropriation of water or the application of water to a beneficial use must be
18 completed or made. A single extension, other than for a municipal or quasi-
19 municipal use for a public water system, may not exceed 1 year. (NRS 533.380)
20 **Section 4** of this bill clarifies that the single extension may not exceed 1 year from
21 the date for filing proofs provided in the original permit or a previous extension.
22 **Section 4** also requires an application to extend the deadline to include evidence of
23 good faith on the part of the applicant in pursuing the perfection of the application.

24 **Section 5** of this bill eliminates the requirement that a certificate of
25 appropriation set forth the post office address of each holder of the permit.

26 **Section 6** of this bill revises provisions relating to certain fees collected by the
27 State Engineer.

28 Existing law recognizes a subsisting right to water livestock which may be
29 proved by the owner of livestock by submitting certain evidence to the State
30 Engineer. (NRS 533.492) **Section 7** of this bill revises the scale required for a
31 topographic map showing the location of a subsisting right to water livestock from
32 not less than 1:100,000 to not less than 1:24,000. **Section 7** also provides that a
33 subsisting right to water livestock is a pre-statutory vested right.

34 Existing law prohibits the denial of an application to change the point of
35 diversion under an existing water right on the basis that the proposed point of
36 diversion is situated in another state. **Section 8** of this bill adds the same restriction
37 for applications to change the manner of use or place of use.

38 Existing law requires, under certain circumstances, the State Engineer to notify
39 the owner of a water right that the owner has 1 year after the date of the notice to
40 either: (1) use the water right beneficially and provide proof of such use to the State
41 Engineer; or (2) apply to the State Engineer for an extension of time to work a
42 forfeiture of the water right. If, after 1 year after the date of the notice, the owner
43 of the water right has not taken either action, the State Engineer is required to
44 declare the right forfeited within 30 days. (NRS 534.090) **Section 9** of this bill
45 eliminates the 30-day period.

46 Existing law authorizes the State Engineer to issue temporary permits to
47 appropriate groundwater in certain designated areas and limit the depth and prohibit
48 reconditioning of domestic wells in such areas. (NRS 534.120) **Section 10** of this
49 bill renames such a temporary permit as a revocable permit. **Sections 11, 14 and 15**
50 of this bill make conforming changes.

51 **Section 10** of this bill also expands the areas in which the State Engineer may
52 limit the depth or prohibit the reconditioning of a domestic well. Further, **section 10**
53 requires that a domestic well whose user is furnished water by an entity such as a
54 water district or municipality must be plugged in accordance with any applicable
55 regulations adopted by the State Engineer.

56 Existing law authorizes the State Engineer, assistants and Artesian Well
57 Supervisor to enter the premises to investigate and carry out duties. **Section 12** of
58 this bill revises the scope of this authority to apply only to the State Engineer,
59 assistants and authorized agents and adds access to the place where the water is
60 being used.

61 Under existing law, the State Engineer may, under certain circumstances,
62 require the plugging of a domestic well if water can be furnished to the site by a
63 political subdivision of the State or certain public utilities. (NRS 534.180) **Section**
64 **13** of this bill removes the requirements that, in order for the State Engineer to
65 require the plugging of the domestic well: (1) the domestic well must have been
66 drilled on or after July 1, 1981; and (2) the charge for making the connection to the
67 water service is less than \$200.



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

1 **Section 1.** NRS 533.335 is hereby amended to read as follows:
2 533.335 Each application for a permit to appropriate water
3 shall contain the following information:

4 1. The name and post office address of the applicant and, if the
5 applicant is a corporation, the date and place of incorporation.

6 2. The name of the source from which the appropriation is to
7 be made.

8 3. The amount of water which it is desired to appropriate,
9 expressed in terms of cubic feet per second ~~H~~ *and acre-feet per*
10 *year*, except in an application for a permit to store water, where the
11 amount shall be expressed in acre-feet ~~H~~ *, and except for a*
12 *diversion rate only application, where the amount shall be*
13 *expressed in cubic feet per second.*

14 4. The purpose for which the application is to be made.

15 5. A substantially accurate description of the location of the
16 place at which the water is to be diverted from its source and, if any
17 of such water is to be returned to the source, a description of the
18 location of the place of return.

19 6. A description of the proposed works.

20 7. The estimated cost of such works.

21 8. The estimated time required to construct the works, and the
22 estimated time required to complete the application of the water to
23 beneficial use.

24 9. The signature of the applicant or a properly authorized agent
25 thereof.

26 **Sec. 2.** NRS 533.360 is hereby amended to read as follows:

27 533.360 1. Except as otherwise provided in subsection 4,
28 NRS 533.345 and subsection 2 of NRS 533.370, when an
29 application is filed in compliance with this chapter, the State
30 Engineer shall, within 30 days, publish or cause to be published
31 once a week for 4 consecutive weeks in a newspaper of general
32 circulation ~~{and printed and published}~~ in the county where the
33 ~~{water is sought to be appropriated,}~~ *point of diversion is located*, a
34 notice of the application which sets forth:

35 (a) That the application has been filed.

36 (b) The date of the filing.

37 (c) The name and address of the applicant.

38 (d) The name of the source from which the appropriation is to be
39 made.

40 (e) The location of the place of diversion, described by legal
41 subdivision or metes and bounds and by a physical description of
42 that place of diversion.



1 (f) The purpose for which the water is to be appropriated.
2 ➔ The publisher shall add thereto the date of the first publication
3 and the date of the last publication.

4 2. Except as otherwise provided in subsection 4, proof of
5 publication must be filed within 30 days after the final day of
6 publication. The State Engineer shall pay for the publication from
7 the application fee. If the application is cancelled for any reason
8 before publication, the State Engineer shall return to the applicant
9 that portion of the application fee collected for publication.

10 3. If the application is for a proposed well:

11 (a) For municipal, quasi-municipal or industrial use; and

12 (b) Whose reasonably expected rate of diversion is one-half
13 cubic foot per second or more,

14 ➔ the applicant shall mail a copy of the notice of application to each
15 owner of real property containing a domestic well that is within
16 2,500 feet of the proposed well, to the owner's address as shown in
17 the latest records of the county assessor. If there are not more than
18 six such wells, notices must be sent to each owner by certified mail,
19 return receipt requested. If there are more than six such wells, at
20 least six notices must be sent to owners by certified mail, return
21 receipt requested. The return receipts from these notices must be
22 filed with the State Engineer before the State Engineer may consider
23 the application.

24 4. The provisions of this section do not apply to an
25 environmental permit or a temporary permit issued pursuant to NRS
26 533.436 or 533.504.

27 **Sec. 3.** NRS 533.364 is hereby amended to read as follows:

28 533.364 1. In addition to the requirements of NRS 533.370,
29 before approving an application , *or a group of applications*
30 *collectively applying*, for an interbasin transfer of more than ~~250~~
31 *25 percent of the perennial yield or 1,000* acre-feet of groundwater
32 *, whichever is less*, from a basin which the State Engineer has not
33 previously inventoried or for which the State Engineer has not
34 conducted, or caused to be conducted, a study pursuant to NRS
35 532.165 or 533.368, the State Engineer or a person designated by
36 the State Engineer shall conduct an inventory of the basin from
37 which the water is to be exported. The inventory must include:

38 (a) The total amount of surface water and groundwater
39 appropriated in accordance with a decreed, certified or permitted
40 right;

41 (b) An estimate of the amount and location of all surface water
42 and groundwater that is available for appropriation in the basin; and

43 (c) The name of each owner of record set forth in the records of
44 the Office of the State Engineer for each decreed, certified or
45 permitted right in the basin.



1 2. The provisions of this section do not:

2 (a) Require the State Engineer to initiate or complete a
3 determination of the surface water or groundwater rights pursuant to
4 NRS 533.090 to 533.320, inclusive, or to otherwise quantify any
5 vested claims of water rights in the basin before approving an
6 application for an interbasin transfer of groundwater from the basin;
7 or

8 (b) Prohibit the State Engineer from considering information
9 received from or work completed by another person to include in the
10 inventory, if the inventory is otherwise conducted in accordance
11 with the provisions of subsection 1.

12 3. The State Engineer shall charge the applicant a fee to cover
13 the cost of the inventory. The amount of the fee must not exceed the
14 cost to the State Engineer of conducting the inventory.

15 4. The State Engineer shall complete any inventory conducted
16 pursuant to subsection 1 within 1 year after commencing the
17 inventory ~~H~~, *unless the time limit is waived by the applicant.*

18 **Sec. 4.** NRS 533.380 is hereby amended to read as follows:

19 533.380 1. Except as otherwise provided in subsection 5, in
20 an endorsement of approval upon any application, the State
21 Engineer shall:

22 (a) Set a time before which the construction of the work must be
23 completed, which must be within 5 years after the date of approval.

24 (b) Except as otherwise provided in this paragraph, set a time
25 before which the complete application of water to a beneficial use
26 must be made, which must not exceed 10 years after the date of the
27 approval. The time set under this paragraph respecting an
28 application for a permit to apply water to a municipal or quasi-
29 municipal use on any land:

30 (1) For which a final subdivision map has been recorded
31 pursuant to chapter 278 of NRS;

32 (2) For which a plan for the development of a project has
33 been approved by the local government pursuant to NRS 278.010 to
34 278.460, inclusive; or

35 (3) On any land for which a plan for the development of a
36 planned unit development has been recorded pursuant to chapter
37 278A of NRS,

38 ↪ must not be less than 5 years.

39 2. The State Engineer may limit the applicant to a smaller
40 quantity of water, to a shorter time for the completion of work, and,
41 except as otherwise provided in paragraph (b) of subsection 1, to a
42 shorter time for the perfecting of the application than named in the
43 application.

44 3. Except as otherwise provided in subsection 4 and NRS
45 533.395 and 533.4377, the State Engineer may, for good cause



1 shown, grant any number of extensions of time within which
2 construction work must be completed, or water must be applied to a
3 beneficial use under any permit therefor issued by the State
4 Engineer, but a single extension of time for a municipal or quasi-
5 municipal use for a public water system, as defined in NRS
6 445A.235, must not exceed 5 years, and any other single extension
7 of time must not exceed 1 year **H from the date for filing proofs**
8 **established in the original permit or in a previous extension**
9 **granted by the State Engineer.** An application for the extension
10 must in all cases be:

11 (a) Made within 30 days following notice by registered or
12 certified mail that proof of the work is due as provided for in NRS
13 533.390 and 533.410; and

14 (b) Accompanied by proof and evidence of the **good faith and**
15 **reasonable diligence** with which the applicant is pursuing the
16 perfection of the application.

17 ↪ The State Engineer shall not grant an extension of time unless the
18 State Engineer determines from the proof and evidence so submitted
19 that the applicant is proceeding in good faith and with reasonable
20 diligence to perfect the application. The failure to provide the proof
21 and evidence required pursuant to this subsection is prima facie
22 evidence that the holder is not proceeding in good faith and with
23 reasonable diligence to perfect the application.

24 4. Except as otherwise provided in subsection 5 and NRS
25 533.395, whenever the holder of a permit issued for any municipal
26 or quasi-municipal use of water on any land referred to in paragraph
27 (b) of subsection 1, or for any use which may be served by a county,
28 city, town, public water district or public water company, requests
29 an extension of time to apply the water to a beneficial use, the State
30 Engineer shall, in determining whether to grant or deny the
31 extension, consider, among other factors:

32 (a) Whether the holder has shown good cause for not having
33 made a complete application of the water to a beneficial use;

34 (b) The number of parcels and commercial or residential units
35 which are contained in or planned for the land being developed or
36 the area being served by the county, city, town, public water district
37 or public water company;

38 (c) Any economic conditions which affect the ability of the
39 holder to make a complete application of the water to a beneficial
40 use;

41 (d) Any delays in the development of the land or the area being
42 served by the county, city, town, public water district or public
43 water company which were caused by unanticipated natural
44 conditions; and

45 (e) The period contemplated in the:



1 (1) Plan for the development of a project approved by the
2 local government pursuant to NRS 278.010 to 278.460, inclusive; or

3 (2) Plan for the development of a planned unit development
4 recorded pursuant to chapter 278A of NRS,

5 ➤ if any, for completing the development of the land.

6 5. The provisions of subsections 1 and 4 do not apply to an
7 environmental permit or a temporary permit issued pursuant to NRS
8 533.436 or 533.504.

9 6. For the purposes of this section, the measure of reasonable
10 diligence is the steady application of effort to perfect the application
11 in a reasonably expedient and efficient manner under all the facts
12 and circumstances. When a project or integrated system is
13 composed of several features, work on one feature of the project or
14 system may be considered in finding that reasonable diligence has
15 been shown in the development of water rights for all features of the
16 entire project or system.

17 **Sec. 5.** NRS 533.425 is hereby amended to read as follows:

18 533.425 1. Except as otherwise provided in NRS 533.503, as
19 soon as practicable after satisfactory proof has been made to the
20 State Engineer that any application to appropriate water or any
21 application for permission to change the place of diversion, manner
22 or place of use of water already appropriated has been perfected in
23 accordance with the provisions of this chapter, the State Engineer
24 shall issue to the holder or holders of the permit a certificate setting
25 forth:

26 (a) The name ~~land post office address~~ of each holder of the
27 permit.

28 (b) The date, source, purpose and amount of appropriation.

29 (c) If for irrigation, a description of the irrigated lands by legal
30 subdivisions, when possible, to which the water is appurtenant.

31 (d) The number of the permit under which the certificate is
32 issued.

33 2. If the water is appropriated from an underground source, the
34 State Engineer shall issue with the certificate a notice of the
35 provisions governing the forfeiture and abandonment of such water
36 rights. The notice must set forth the provisions of NRS 534.090.

37 **Sec. 6.** NRS 533.435 is hereby amended to read as follows:

38 533.435 1. The State Engineer shall collect the following
39 fees:

40
41 For examining and filing an application for a
42 permit to appropriate water \$360.00

43 This fee includes the cost of publication,
44 which is \$50.



1	For reviewing a corrected application or map, or	
2	both, in connection with an application for a	
3	water right permit.....	\$100.00
4	For examining and acting upon plans and	
5	specifications for construction of a dam.....	1,200.00
6	For examining and filing an application for each	
7	permit to change the point of diversion,	
8	manner of use or place of use of an existing	
9	right.....	240.00
10	This fee includes the cost of publication,	
11	which is \$50.	
12	For examining and filing an application for a	
13	temporary permit to change the point of	
14	diversion, manner of use or place of use of an	
15	existing right.....	180.00
16	For issuing and recording each permit to	
17	appropriate water for any purpose, except for	
18	generating hydroelectric power which results	
19	in nonconsumptive use of the water , <i>watering</i>	
20	<i>livestock</i> or wildlife purposes.....	360.00
21	plus \$3 per acre-foot approved or fraction	
22	thereof.	
23	Except for generating hydroelectric power ,	
24	<i>watering livestock</i> or wildlife purposes, for	
25	issuing and recording each permit to change an	
26	existing water right whether temporary or	
27	permanent for any purpose.....	300.00
28	plus \$3 per acre-foot approved or fraction	
29	thereof.	
30	For issuing and recording each permit for	
31	additional rate of diversion <i>from a well</i> where	
32	no additional volume <i>duty</i> of water is granted ...	1,000.00
33	For issuing and recording each permit to change	
34	the point of diversion or place of use only of	
35	an existing right whether temporary or	
36	permanent for irrigational <i>irrigation</i>	
37	purposes, a maximum fee of	750.00
38	For issuing and recording each permit to	
39	appropriate or change the point of diversion or	
40	place of use of an existing right whether	
41	temporary or permanent for watering livestock	
42	or wildlife purposes.....	240.00
43	plus \$50 for each <i>cubic</i> foot of water <i>per</i>	
44	<i>second</i> approved or fraction thereof.	



1	For issuing and recording each permit to	
2	appropriate or change an existing right whether	
3	temporary or permanent for water for	
4	generating hydroelectric power which results	
5	in nonconsumptive use of the water.....	\$480.00
6	plus \$50 for each second cubic foot <i>per</i>	
7	<i>second</i> of water approved or fraction	
8	thereof.	
9	For issuing <i>filing and examining a request for</i> a	
10	waiver in connection with an application to	
11	drill a well	120.00
12	For filing and examining a notice of intent to drill	
13	a well	25.00
14	For filing and examining an affidavit to relinquish	
15	water rights in favor of use of water for	
16	domestic wells	300.00
17	For filing a secondary application under a	
18	reservoir permit	300.00
19	For approving and recording a secondary permit	
20	under a reservoir permit	540.00
21	For reviewing each tentative subdivision map	180.00
22	plus \$1 per lot.	
23	For reviewing and approving each final	
24	subdivision map	120.00
25	For storage approved under a dam permit for	
26	privately owned nonagricultural dams which	
27	store more than 50 acre-feet	480.00
28	plus \$1.25 per acre-foot storage capacity.	
29	This fee includes the cost of inspection	
30	and must be paid annually.	
31	For flood control detention basins	480.00
32	plus \$1.25 per acre-foot storage capacity.	
33	This fee includes the cost of inspection	
34	and must be paid annually.	
35	For filing proof of completion of work	60.00
36	For filing proof of beneficial use	60.00
37	For issuing and recording a certificate upon	
38	approval of the proof of beneficial use.....	350.00
39	For filing proof of resumption of a water right	360.00
40	For filing any protest	30.00
41	For filing any application for extension of time	
42	within which to file proofs, of completion or	
43	beneficial use, for each year for which the	
44	extension of time is sought.....	120.00



1	For filing any application for extension of time to	
2	prevent a forfeiture, for each year for which	
3	the extension of time is sought.....	\$120.00
4	For reviewing a cancellation of a water right	
5	pursuant to a petition for review	360.00
6	For examining and filing a report of conveyance	
7	filed pursuant to paragraph (a) of subsection 1	
8	of NRS 533.384.....	120.00
9	plus \$20 per conveyance document.	
10	For filing any other instrument.....	10.00
11	For making a copy of any document recorded or	
12	filed in the Office of the State Engineer, for the	
13	first page.....	1.00
14	For each additional page.....	.20
15	For certifying to copies of documents, records or	
16	maps, for each certificate	6.00
17	For each copy of any full size drawing or map	6.00
18	For each color copy of any full size drawing or	
19	map (2' x 3').....	12.00
20	For the minimum charge for a blueprint copy, per	
21	print.....	3.00
22	For colored mylar plots	10.00
23		

24 2. When fees are not specified in subsection 1 for work
25 required of the Office of the State Engineer, the State Engineer shall
26 collect the actual cost of the work.

27 3. Except as otherwise provided in this subsection, all fees
28 collected by the State Engineer under the provisions of this section
29 must be deposited in the State Treasury for credit to the Water
30 Distribution Revolving Account created pursuant to NRS 532.210.
31 All fees received for ~~blueprint~~ copies of any drawing or map must
32 be kept by the State Engineer and used only to pay the costs of
33 printing, replacement and maintenance of printing equipment. Any
34 publication fees received which are not used by the State Engineer
35 for publication expenses must be returned to the persons who paid
36 the fees. If, after exercising due diligence, the State Engineer is
37 unable to make the refunds, the State Engineer shall deposit the fees
38 in the State Treasury for credit to the Water Distribution Revolving
39 Account created pursuant to NRS 532.210.

40 **Sec. 7.** NRS 533.492 is hereby amended to read as follows:

41 533.492 1. A subsisting right to water livestock , *which is a*
42 *pre-statutory vested right for watering livestock*, may be proven by
43 an owner of livestock by one or more of the following items of
44 evidence for the number of livestock and date of priority:



1 (a) As to water rights on open range, whether public lands or
2 unfenced private lands or a combination of these:

3 (1) A statement of priority of use submitted to the Taylor
4 Grazing Service, predecessor to the Bureau of Land Management, to
5 show the numbers of livestock grazed upon the open range, for
6 years from 1928 to 1934, inclusive, if accompanied by evidence of
7 changes or absence of change since the date of the statement;

8 (2) A license issued by the Taylor Grazing Service for use
9 upon the open range; or

10 (3) A statement of priority of use, or a license, issued by the
11 United States Forest Service for the grazing of livestock before
12 1950.

13 (b) As to water rights on other privately owned land:

14 (1) An affidavit concerning the number and kind of livestock
15 by a person familiar with the use made of the lands;

16 (2) A record of livestock assessed to the claimant of the
17 right, or the claimant's predecessor, by a county assessor;

18 (3) A count of livestock belonging to the claimant or the
19 claimant's predecessor made by a lender; or

20 (4) An affidavit of a disinterested person.

21 2. The location of a subsisting right to water livestock and its
22 extent along a stream may be shown by marking upon a topographic
23 map whose scale is not less than ~~1:100,000~~ **1:24,000** or a map
24 prepared by the United States Geological Survey covering a
25 quadrangle of 7 1/2 minutes of latitude and longitude and by further
26 identifying the location or extent by one-sixteenth sections within a
27 numbered section, township and range as certified by a registered
28 state water right surveyor.

29 **Sec. 8.** NRS 533.515 is hereby amended to read as follows:

30 533.515 1. No permit for the appropriation of water or
31 application to change the point of diversion, **manner of use or**
32 **place of use** under an existing water right may be denied because of
33 the fact that the point of diversion described in the application for
34 the permit, or any portion of the works in the application described
35 and to be constructed for the purpose of storing, conserving,
36 diverting or distributing the water are situated in any other state; but
37 in all such cases where the place of intended use, or the lands, or
38 part of the lands ~~to be irrigated by means of the water,~~ **identified**
39 **as the place of use**, are situated within this state, the permit must be
40 issued as in other cases, pursuant to the provisions of NRS 533.324
41 to 533.450, inclusive, and chapter 534 of NRS.

42 2. The permit must not purport to authorize the doing or
43 refraining from any act or thing, in connection with the system of
44 appropriation, not properly within the scope of the jurisdiction of
45 this state and the State Engineer to grant.



1 **Sec. 9.** NRS 534.090 is hereby amended to read as follows:

2 534.090 1. Except as otherwise provided in this section,
3 failure for 5 successive years after April 15, 1967, on the part of the
4 holder of any right, whether it is an adjudicated right, an
5 unadjudicated right or a right for which a certificate has been issued
6 pursuant to NRS 533.425, and further whether the right is initiated
7 after or before March 25, 1939, to use beneficially all or any part of
8 the underground water for the purpose for which the right is
9 acquired or claimed, works a forfeiture of both undetermined rights
10 and determined rights to the use of that water to the extent of the
11 nonuse. If the records of the State Engineer or any other documents
12 specified by the State Engineer indicate at least 4 consecutive years,
13 but less than 5 consecutive years, of nonuse of all or any part of a
14 water right which is governed by this chapter, the State Engineer
15 shall notify the owner of the water right, as determined in the
16 records of the Office of the State Engineer, by registered or certified
17 mail that the owner has 1 year after the date of the notice in which
18 to use the water right beneficially and to provide proof of such use
19 to the State Engineer or apply for relief pursuant to subsection 2
20 to avoid forfeiting the water right. If, after 1 year after the date of
21 the notice, proof of resumption of beneficial use is not filed in the
22 Office of the State Engineer, the State Engineer shall, unless the
23 State Engineer has granted a request to extend the time necessary to
24 work a forfeiture of the water right, declare the right forfeited .
25 ~~[within 30 days.]~~ Upon the forfeiture of a right to the use of
26 groundwater, the water reverts to the public and is available for
27 further appropriation, subject to existing rights. If, upon notice by
28 registered or certified mail to the owner of record whose right has
29 been declared forfeited, the owner of record fails to appeal the
30 ruling in the manner provided for in NRS 533.450, and within the
31 time provided for therein, the forfeiture becomes final. The failure
32 to receive a notice pursuant to this subsection does not nullify the
33 forfeiture or extend the time necessary to work the forfeiture of a
34 water right.

35 2. The State Engineer may, upon the request of the holder of
36 any right described in subsection 1, extend the time necessary to
37 work a forfeiture under that subsection if the request is made before
38 the expiration of the time necessary to work a forfeiture. The State
39 Engineer may grant, upon request and for good cause shown, any
40 number of extensions, but a single extension must not exceed 1 year.
41 In determining whether to grant or deny a request, the State
42 Engineer shall, among other reasons, consider:

43 (a) Whether the holder has shown good cause for the holder's
44 failure to use all or any part of the water beneficially for the purpose
45 for which the holder's right is acquired or claimed;



1 (b) The unavailability of water to put to a beneficial use which is
2 beyond the control of the holder;

3 (c) Any economic conditions or natural disasters which made
4 the holder unable to put the water to that use;

5 (d) Any prolonged period in which precipitation in the basin
6 where the water right is located is below the average for that basin
7 or in which indexes that measure soil moisture show that a deficit in
8 soil moisture has occurred in that basin;

9 (e) Whether a groundwater management plan has been approved
10 for the basin pursuant to NRS 534.037; and

11 (f) Whether the holder has demonstrated efficient ways of using
12 the water for agricultural purposes, such as center-pivot irrigation.

13 ➤ The State Engineer shall notify, by registered or certified mail,
14 the owner of the water right, as determined in the records of the
15 Office of the State Engineer, of whether the State Engineer has
16 granted or denied the holder's request for an extension pursuant to
17 this subsection. If the State Engineer grants an extension pursuant to
18 this subsection and, before the expiration of that extension, proof of
19 resumption of beneficial use or another request for an extension is
20 not filed in the Office of the State Engineer, the State Engineer shall
21 declare the water right forfeited ~~within 30 days~~ after the expiration
22 of the extension granted pursuant to this subsection.

23 3. If the failure to use the water pursuant to subsection 1 is
24 because of the use of center-pivot irrigation before July 1, 1983, and
25 such use could result in a forfeiture of a portion of a right, the State
26 Engineer shall, by registered or certified mail, send to the owner of
27 record a notice of intent to declare a forfeiture. The notice must
28 provide that the owner has at least 1 year after the date of the notice
29 to use the water beneficially or apply for additional relief pursuant
30 to subsection 2 before forfeiture of the owner's right is declared by
31 the State Engineer.

32 4. A right to use underground water whether it is vested or
33 otherwise may be lost by abandonment. If the State Engineer, in
34 investigating a groundwater source, upon which there has been a
35 prior right, for the purpose of acting upon an application to
36 appropriate water from the same source, is of the belief from his or
37 her examination that an abandonment has taken place, the State
38 Engineer shall so state in the ruling approving the application. If,
39 upon notice by registered or certified mail to the owner of record
40 who had the prior right, the owner of record of the prior right fails to
41 appeal the ruling in the manner provided for in NRS 533.450, and
42 within the time provided for therein, the alleged abandonment
43 declaration as set forth by the State Engineer becomes final.



1 **Sec. 10.** NRS 534.120 is hereby amended to read as follows:

2 534.120 1. Within an area that has been designated by the
3 State Engineer, as provided for in this chapter, where, in the
4 judgment of the State Engineer, the groundwater basin is being
5 depleted, the State Engineer in his or her administrative capacity
6 may make such rules, regulations and orders as are deemed essential
7 for the welfare of the area involved.

8 2. In the interest of public welfare, the State Engineer is
9 authorized and directed to designate preferred uses of water within
10 the respective areas so designated by the State Engineer and from
11 which the groundwater is being depleted, and in acting on
12 applications to appropriate groundwater, the State Engineer may
13 designate such preferred uses in different categories with respect to
14 the particular areas involved within the following limits:

15 (a) Domestic, municipal, quasi-municipal, industrial, irrigation,
16 mining and stock-watering uses; and

17 (b) Any uses for which a county, city, town, public water district
18 or public water company furnishes the water.

19 3. Except as otherwise provided in subsection 5, the State
20 Engineer may:

21 (a) Issue ~~temporary~~ *revocable* permits to appropriate
22 groundwater which can be limited as to time and which may, except
23 as limited by subsection 4, be revoked if and when water can be
24 furnished by an entity such as a water district or a municipality
25 presently engaged in furnishing water to the inhabitants thereof.

26 (b) Deny applications to appropriate groundwater for any use in
27 areas served by such an entity.

28 (c) Limit the depth of domestic wells.

29 (d) Prohibit the drilling of wells for domestic use, as defined in
30 NRS 534.013, in areas where water can be furnished by an entity
31 such as a water district or a municipality presently engaged in
32 furnishing water to the inhabitants thereof.

33 (e) In connection with the approval of a parcel map in which any
34 parcel is proposed to be served by a domestic well, require the
35 dedication to a city or county or a designee of a city or county, or
36 require a relinquishment to the State Engineer, of any right to
37 appropriate water required by the State Engineer to ensure a
38 sufficient supply of water for each of those parcels, unless the
39 dedication of the right to appropriate water is required by a local
40 ordinance.

41 4. The State Engineer may revoke a ~~temporary~~ *revocable*
42 permit issued pursuant to subsection 3 for residential use, and
43 require a person to whom groundwater was appropriated pursuant to
44 the *revocable* permit to obtain water from an entity such as a water



1 district or a municipality engaged in furnishing water to the
2 inhabitants of the designated area, only if:

3 (a) The distance from the property line of any parcel served by a
4 well pursuant to a ~~temporary~~ **revocable** permit to the pipes and
5 other appurtenances of the proposed source of water to which the
6 property will be connected is not more than 180 feet; and

7 (b) The well providing water pursuant to the ~~temporary~~
8 **revocable** permit needs to be redrilled or have repairs made which
9 require the use of a well-drilling rig.

10 5. The State Engineer may ~~[- in an area in which have been~~
11 ~~issued temporary permits pursuant to subsection 3.]~~ limit the depth
12 of a domestic well ~~[pursuant to paragraph (c) of subsection 3]~~ or
13 prohibit ~~[repairs from being made to]~~ **the reconditioning of** a well,
14 and may require the person proposing to ~~[deepen or repair]~~
15 **recondition** the well to obtain water from an entity such as a water
16 district or a municipality engaged in furnishing water to the
17 inhabitants of the designated area, only if:

18 (a) The distance from the property line of any parcel served by
19 the well to the pipes and other appurtenances of the proposed source
20 of water to which the property will be connected is not more than
21 180 feet; and

22 (b) The ~~[deepening or repair]~~ **reconditioning** of the well would
23 require the use of a well-drilling rig.

24 6. For good and sufficient reasons, the State Engineer may
25 exempt the provisions of this section with respect to public housing
26 authorities.

27 7. *If a user of a domestic well is furnished water by an entity*
28 *such as a water district or a municipality, the domestic well must*
29 *be plugged pursuant to the provisions of any applicable*
30 *regulations adopted by the State Engineer.*

31 8. The provisions of this section do not prohibit the State
32 Engineer from revoking a ~~temporary~~ **revocable** permit issued
33 pursuant to this section if any parcel served by a well pursuant to the
34 ~~temporary~~ **revocable** permit is currently obtaining water from an
35 entity such as a water district or a municipality engaged in
36 furnishing water to the inhabitants of the area.

37 **Sec. 11.** NRS 534.125 is hereby amended to read as follows:

38 534.125 If the State Engineer issues a ~~temporary~~ **revocable**
39 permit pursuant to NRS 534.120 or if a well for domestic use is
40 drilled in an area in which the State Engineer has issued such a
41 ~~temporary~~ **revocable** permit, the State Engineer shall file a notice
42 with the county recorder of the county in which the **revocable**
43 permit is issued or the well is drilled. The notice must include a
44 statement indicating that, if and when water can be furnished by an



1 entity such as a water district or a municipality engaged in
2 furnishing water to the inhabitants of the designated area:

3 1. A ~~temporary~~ *revocable* permit may be revoked;

4 2. The owner of a domestic well may be prohibited from
5 ~~deepening or repairing~~ *reconditioning* the well; and

6 3. The owner of the property served by the well may be
7 required to connect to this water source at his or her own expense.

8 **Sec. 12.** NRS 534.130 is hereby amended to read as follows:

9 534.130 The State Engineer, or the assistants or authorized
10 agents of the State Engineer, ~~and the Artesian Well Supervisor, or~~
11 ~~the assistants of the Artesian Well Supervisor, shall have the right~~
12 ~~to~~ *may* enter the ~~premises~~ *land* of any owner or proprietor where
13 any well mentioned in this chapter is situated *or where water is*
14 *being used* at any reasonable hour of the day for the purpose of
15 investigating and carrying out ~~their~~ *the* duties ~~in the~~
16 ~~administration~~ *of the State Engineer pursuant to* this chapter.

17 **Sec. 13.** NRS 534.180 is hereby amended to read as follows:

18 534.180 1. Except as otherwise provided in subsection 2 and
19 as to the furnishing of any information required by the State
20 Engineer, this chapter does not apply in the matter of obtaining
21 permits for the development and use of underground water from a
22 well for domestic purposes where the draught does not exceed 2
23 acre-feet per year.

24 2. The State Engineer may designate any groundwater basin or
25 portion thereof as a basin in which the registration of a well is
26 required if the well is drilled for the development and use of
27 underground water for domestic purposes. A driller who drills such
28 a well shall register the information required by the State Engineer
29 within 10 days after the completion of the well. The State Engineer
30 shall make available forms for the registration of such wells and
31 shall maintain a register of those wells.

32 3. The State Engineer may require the plugging of ~~such~~ a
33 *domestic* well ~~which is drilled on or after July 1, 1981,~~ at any time
34 not sooner than 1 year after water can be furnished to the site by:

35 (a) A political subdivision of this State; or

36 (b) A public utility whose rates and service are regulated by the
37 Public Utilities Commission of Nevada. ~~†~~

38 ~~→ but only if the charge for making the connection to the service is~~
39 ~~less than \$200.~~

40 4. If the development and use of underground water from a
41 well for an accessory dwelling unit of a single-family dwelling, as
42 defined in an applicable local ordinance, qualifies as a domestic use
43 or domestic purpose:

44 (a) The owner of the well shall:



1 (1) Obtain approval for that use or purpose from the local
2 governing body or planning commission in whose jurisdiction the
3 well is located;

4 (2) Install a water meter capable of measuring the total
5 withdrawal of water from the well; and

6 (3) Ensure the total withdrawal of water from the well does
7 not exceed 2 acre-feet per year;

8 (b) The local governing body or planning commission shall
9 report the approval of the accessory dwelling unit on a form
10 provided by the State Engineer;

11 (c) The State Engineer shall monitor the annual withdrawal of
12 water from the well; and

13 (d) The date of priority for the use of the domestic well to
14 supply water to the accessory dwelling unit is the date of approval
15 of the accessory dwelling unit by the local governing body or
16 planning commission.

17 **Sec. 14.** NRS 349.981 is hereby amended to read as follows:

18 349.981 1. There is hereby established a program to provide
19 grants of money to:

20 (a) A purveyor of water to pay for costs of capital improvements
21 to publicly owned community water systems and publicly owned
22 nontransient water systems required or made necessary by the State
23 Environmental Commission pursuant to NRS 445A.800 to
24 445A.955, inclusive, or made necessary by the Safe Drinking Water
25 Act, 42 U.S.C. §§ 300f et seq., and the regulations adopted pursuant
26 thereto.

27 (b) An eligible recipient to pay for the cost of improvements to
28 conserve water, including, without limitation:

29 (1) Piping or lining of an irrigation canal;

30 (2) Recovery or recycling of wastewater or tailwater;

31 (3) Scheduling of irrigation;

32 (4) Measurement or metering of the use of water;

33 (5) Improving the efficiency of irrigation operations; and

34 (6) Improving the efficiency of the operation of a facility for
35 the storage of water, including, without limitation, efficiency in
36 diverting water to such a facility.

37 (c) An eligible recipient to pay the following costs associated
38 with connecting a domestic well or well with a ~~temporary~~
39 *revocable* permit to a municipal water system, if the well was in
40 existence on or before October 1, 1999, and the well is located in an
41 area designated by the State Engineer pursuant to NRS 534.120 as
42 an area where the groundwater basin is being depleted:

43 (1) Any local or regional fee for connection to the municipal
44 water system.



1 (2) The cost of any capital improvement that is required to
2 comply with a decision or regulation of the State Engineer.

3 (d) An eligible recipient to pay the following costs associated
4 with abandoning an individual sewage disposal system and
5 connecting the property formerly served by the abandoned
6 individual sewage disposal system to a community sewage disposal
7 system, if the Division of Environmental Protection requires the
8 individual sewage disposal system to be abandoned and the property
9 upon which the individual sewage disposal system was located to be
10 connected to a community sewage disposal system pursuant to the
11 provisions of NRS 445A.300 to 445A.730, inclusive, or any
12 regulations adopted pursuant thereto:

13 (1) Any local or regional fee for connection to the
14 community sewage disposal system.

15 (2) The cost of any capital improvement that is required to
16 comply with a statute of this State or a decision, directive, order or
17 regulation of the Division of Environmental Protection.

18 (e) An eligible recipient to pay the following costs associated
19 with connecting a well to a municipal water system, if the quality of
20 the water of the well fails to comply with the standards of the Safe
21 Drinking Water Act, 42 U.S.C. §§ 300f et seq., and the regulations
22 adopted pursuant thereto:

23 (1) Any local or regional fee for connection to the municipal
24 water system.

25 (2) The cost of any capital improvement that is required for
26 the water quality in the area where the well is located to comply
27 with the standards of the Safe Drinking Water Act, 42 U.S.C. §§
28 300f et seq., and the regulations adopted pursuant thereto.

29 2. Except as otherwise provided in NRS 349.983, the
30 determination of who is to receive a grant is solely within the
31 discretion of the Board.

32 3. For any construction work paid for in whole or in part by a
33 grant provided pursuant to this section to a nonprofit association or
34 nonprofit cooperative corporation that is an eligible recipient, the
35 provisions of NRS 338.013 to 338.090, inclusive, apply to:

36 (a) Require the nonprofit association or nonprofit cooperative
37 corporation to include in the contract for the construction work the
38 contractual provisions and stipulations that are required to be
39 included in a contract for a public work pursuant to those statutory
40 provisions.

41 (b) Require the nonprofit association or nonprofit cooperative
42 corporation to comply with those statutory provisions in the same
43 manner as if it was a public body that had undertaken the project or
44 had awarded the contract.



1 (c) Require the contractor who is awarded the contract for the
2 construction work, or a subcontractor on the project, to comply with
3 those statutory provisions in the same manner as if he or she was a
4 contractor or subcontractor, as applicable, engaged on a public
5 work.

6 4. As used in this section, "eligible recipient" means:

7 (a) A political subdivision of this State, including, without
8 limitation, a city, county, unincorporated town, water authority,
9 conservation district, irrigation district, water district or water
10 conservancy district.

11 (b) A nonprofit association or nonprofit cooperative corporation
12 that provides water service only to its members.

13 **Sec. 15.** Section 14 of the Southern Nevada Water Authority
14 Act, being chapter 572, Statutes of Nevada 1997, as last amended by
15 chapter 113, Statutes of Nevada 2003, at page 624, is hereby
16 amended to read as follows:

17 Sec. 14. Money collected pursuant to section 13 of this
18 act must be used to:

19 1. Develop and distribute information promoting
20 education and the conservation of groundwater in the Basin.

21 2. Perform such comprehensive inventories of wells of
22 all types located within the basin as may be needed. Such
23 inventories must be done in conjunction with the State
24 Engineer.

25 3. Prepare, for use by the Advisory Committee, such
26 cost-benefit analyses relating to the recharge and recovery or
27 underground storage and recovery of water in the Basin as
28 may be needed.

29 4. Develop recommendations for additional activities for
30 the management of the Basin and the protection of the aquifer
31 in which the Basin is located, and to conduct such activities if
32 the activities have been approved by the Board of Directors.

33 5. Develop and implement a program to provide
34 financial assistance to pay at least 50 percent but not more
35 than 85 percent of the cost of the local and regional
36 connection fees and capital improvements necessary for
37 making the connection to the proposed source of water, as
38 determined by the Southern Nevada Water Authority, to
39 owners of real property served by:

40 (a) Domestic wells; or

41 (b) Wells that are operated pursuant to ~~temporary~~
42 *revocable* permits,

43 ➤ who are required by the State Engineer to connect the real
44 property to a public water system pursuant to NRS 534.120.



1 6. Pay the costs associated with abandoning and
2 plugging wells on the real property of persons who are
3 required by the State Engineer to connect the real property to
4 a public water system pursuant to NRS 534.120.

5 7. Perform such other duties as are necessary for the
6 Southern Nevada Water Authority and the Advisory
7 Committee to carry out the provisions of this act.

8 **Sec. 16.** This act becomes effective upon passage and
9 approval.

③



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