

Amendment No. 217

Senate Amendment to Senate Bill No. 112	(BDR 48-600)
Proposed by: Senate Committee on Natural Resources	
Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION	Initial and Date		SENATE ACTION	Initial and Date
Adopted <input type="checkbox"/>	Lost <input type="checkbox"/>	_____	Adopted <input type="checkbox"/>	Lost <input type="checkbox"/>
Concurred In <input type="checkbox"/>	Not <input type="checkbox"/>	_____	Concurred In <input type="checkbox"/>	Not <input type="checkbox"/>
Receded <input type="checkbox"/>	Not <input type="checkbox"/>	_____	Receded <input type="checkbox"/>	Not <input type="checkbox"/>

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

ERS/HAC



Date: 4/13/2023

S.B. No. 112—Revises provisions governing groundwater basin assessments.
(BDR 48-600)



SENATE BILL NO. 112—SENATORS GOICOECHEA AND TITUS

FEBRUARY 8, 2023

Referred to Committee on Natural Resources

SUMMARY—Revises provisions governing groundwater basin assessments. (BDR 48-600)

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; revising provisions governing certain assessments on water users; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires the board of county commissioners of a county to levy a special assessment in an amount necessary to pay the salaries and expenses of well supervisors, assistants of well supervisors and the Well Drillers’ Advisory Board, if fees collected for certain licenses are not sufficient to pay such salaries and expenses. Existing law authorizes the board of county commissioners of a county to pay those salaries and expenses by appropriating money from the general fund of the county, if the amount of a special assessment combined with all other taxes and assessments levied upon a property owner is less than the cost of collecting the special assessment. Existing law further provides that well supervisors and assistants of well supervisors employed by the State Engineer are exempt from certain provisions of existing law governing public officers and employees. (NRS 534.040) **Sections 1 and 3** of this bill prohibit the use of the money levied from such a special assessment or money appropriated from the general fund of a county to pay the salaries and expenses of ~~the~~ a person employed by the State Engineer ~~for the technical, clerical and operational staff of the State Engineer.~~ who is subject to certain provisions of existing law governing public officers and employees. **Section 2** of this bill makes a conforming change to account for a change to an internal reference in **section 3**.

Existing law requires such special assessments to be deposited with the State Treasurer for credit to the Water District Account to be accounted for in basin well accounts. (NRS 534.040) **Section 3** requires the State Engineer to ~~annually submit to each~~ provide, upon the written request of a board of county commissioners which may be requested not more than once each year, a report on the expenditures and activities from the Water District Account for the particular basin well account of that groundwater basin.

Existing law further establishes, subject to certain exceptions, a minimum charge of \$1 for a special assessment upon certain areas in which the use of groundwater is predominately for agricultural purposes. (NRS 534.040) **Section 3 : (1) removes the minimum charge; and (2) establishes a maximum charge** ~~of \$2~~ that is equal to the existing charge as of June 30, 2023, plus the annual percentage increase in the Consumer Price Index for the preceding year for such assessments. Section 3 further authorizes the State Engineer to increase the amount of the maximum charge with the approval of the board of county commissioners.

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

1 **Section 1.** NRS 532.210 is hereby amended to read as follows:

2 532.210 1. The fund created pursuant to the provisions of chapter 232,
3 Statutes of Nevada 1931, and chapter 23, Statutes of Nevada 1943, is hereby
4 continued as a revolving account within the State General Fund, for the purposes
5 set forth in NRS 533.270 to 533.295, inclusive, and for the purposes set forth in the
6 provisions of chapters 534, 535 and 536 of NRS pertaining to the conservation and
7 distribution of waters.

8 2. ~~The~~ *Except as otherwise provided in subsection 2 of NRS 534.040, the*
9 money in the Water Distribution Revolving Account may be used for:

10 (a) The payment of state water commissioners' and assistant state water
11 commissioners' salaries and expenses.

12 (b) The payment of salaries and expenses of other employees engaged in the
13 work of the distribution of waters or streams that are directly under the supervision
14 of the State Engineer.

15 (c) The payment of expenses necessarily incurred by the state water
16 commissioners in the distribution of water.

17 3. The money in the Water Distribution Revolving Account, or so much
18 thereof as is necessary, may be used by the State Engineer for the uses and purposes
19 of, and in the administration of the provisions of, chapter 534 of NRS pertaining to
20 the conservation and distribution of underground waters.

21 **Sec. 2.** NRS 534.035 is hereby amended to read as follows:

22 534.035 1. In each area designated as a groundwater basin by the State
23 Engineer pursuant to the provisions of NRS 534.030, the board of county
24 commissioners may recommend to the State Engineer that the State Engineer
25 establish a groundwater board. The State Engineer shall determine whether or not a
26 groundwater board is to be established and may direct its establishment by order.

27 2. If a groundwater board is established, the governing bodies of all the cities
28 and towns within the designated area, the board of county commissioners of each
29 county in which the area is located, and the governing body of any water district in
30 which the area is included, or partly included, shall each submit a list of names of
31 residents of the area to the Governor, who shall appoint seven members of the
32 board. At least one member must be appointed from each list.

33 3. After the initial terms, the term of office of each member of the board is 4
34 years. The board shall elect one member as chair and one member as secretary to
35 serve as such at the pleasure of the board.

36 4. The board shall maintain its headquarters at the county seat of the county in
37 which the designated area is located, or if the area lies in more than one county, in
38 the county seat of one of the counties in which the area is located. The board shall
39 hold meetings at such times and places as it may determine. Special meetings may
40 be called at any time by the secretary at the request of any four members, or by the
41 chair, upon notice specifying the matters to be acted upon at the meeting. No
42 matters other than those specified in the notice may be acted upon at that meeting
43 unless all members are present and consent thereto.

44 5. A majority of the board constitutes a quorum, and the board shall act only
45 by a majority of those present.

46 6. For each day's attendance at each meeting of the groundwater board, or for
47 each day when services are actually performed for the groundwater board, the
48 members are entitled to receive per diem and travel allowances provided by law.

1 Claims for those expenses must be paid as provided in subsection ~~7~~ 8 of NRS
2 534.040.

3 7. The State Engineer shall not approve any application or issue any permit to
4 drill a well, appropriate groundwater, change the place or manner of use or the
5 point of diversion of water within the designated area, adopt any related regulations
6 or enter any related orders until the State Engineer has conferred with the board and
7 obtained its written advice and recommendations.

8 8. It is the intention of the Legislature that the State Engineer and the board be
9 in agreement whenever possible, but, for the purpose of fixing responsibility to the
10 Governor, if there is any disagreement between the State Engineer and the board,
11 the views of the State Engineer prevail. A written report of any such disagreement
12 must be made immediately to the Governor by the State Engineer and the board.

13 9. Any groundwater board may request from the State Engineer or any other
14 state, county, city or district agency such technical information, data and advice as
15 it may require to perform its functions, and the State Engineer and such other
16 agencies shall, within the resources available to them, furnish such assistance as
17 may be requested.

18 10. The Governor may dissolve the groundwater board by order if the
19 Governor determines that the future activities of the board are likely to be
20 insubstantial.

21 **Sec. 3.** NRS 534.040 is hereby amended to read as follows:

22 534.040 1. Upon the initiation of the administration of this chapter in any
23 particular basin, and where the investigations of the State Engineer have shown the
24 necessity for the supervision over the waters of that basin, the State Engineer may
25 employ a well supervisor and other necessary assistants, who shall execute the
26 duties as provided in this chapter under the direction of the State Engineer. The
27 salaries of the well supervisor and the assistants of the well supervisor must be
28 fixed by the State Engineer. The well supervisor and assistants are exempt from the
29 provisions of chapter 284 of NRS.

30 2. If the money available from the license fees provided for in NRS 534.140
31 is not sufficient to pay those salaries, together with necessary expenses, including
32 the compensation and other expenses of the Well Drillers' Advisory Board, the
33 board of county commissioners shall, except as otherwise provided in this
34 subsection, levy a special assessment annually, or at such time as the assessment is
35 needed, upon all taxable property situated within the confines of the area designated
36 by the State Engineer to come under the provisions of this chapter in an amount as
37 is necessary to pay such salaries and expenses. If the board of county
38 commissioners determines that the amount of a special assessment levied upon a
39 property owner pursuant to this section when combined with the amount of all other
40 taxes and assessments levied upon the property owner is less than the cost of
41 collecting the special assessment levied pursuant to this subsection, the board of
42 county commissioners may exempt the property owner from the assessment and
43 appropriate money from the general fund of the county to pay the cost of the
44 assessment. *Money levied from a special assessment or appropriated from the
45 general fund of a county pursuant to this section must not be used to pay the
46 salaries and expenses of ~~the State Engineer or the technical, clerical and
47 operational staff of the State Engineer.~~ **an employee subject to the provisions of
48 chapter 284 of NRS.***

49 3. Except as otherwise provided in subsection 2, in designated areas within
50 which the use of groundwater is predominantly for agricultural purposes, any
51 special assessment levied pursuant to this section must be charged against each
52 water user who has a permit to appropriate water or a perfected water right, and the
53 charge against each water user must be based upon the proportion which his or her

1 water right bears to the aggregate water rights in the designated area. ~~The~~
2 ~~minimum charge is \$1, and~~ *Except as otherwise provided in this subsection, the*
3 *maximum charge is ~~(\$2), equal to the existing charge as of June 30, 2023, plus~~*
4 *the annual percentage increase in the Consumer Price Index (All Items)*
5 *published by the United States Department of Labor for the preceding year. The*
6 *State Engineer may, with the approval of the board of county commissioners,*
7 *increase the charge beyond the maximum set forth in this subsection.*

8 4. The salaries and expenses may be paid by the State Engineer from the
9 Water Distribution Revolving Account pending the levy and collection of an
10 assessment levied pursuant to this section.

11 5. Except as otherwise provided in subsection 2, if a special assessment is
12 levied pursuant to this section, the proper officers of the county shall levy and
13 collect the special assessment as other special assessments are levied and collected,
14 and the assessment is a lien upon the property.

15 6. Any special assessment collected pursuant to this section must be deposited
16 with the State Treasurer for credit to the Water District Account to be accounted for
17 in basin well accounts.

18 7. *The State Engineer shall ~~submit annually on or before the first Monday~~*
19 *in October to each* *provide to a board of county commissioners in this State*
20 *which levies a special assessment or appropriates money from the general fund of*
21 *the county pursuant to this section, upon written request from a board of county*
22 *commissioners not more than once each year, a report on the expenditures and*
23 *activities from the Water District Account for the particular basin well account of*
24 *that groundwater basin.*

25 8. Upon determination and certification by the State Engineer of the amount
26 to be budgeted for the current or ensuing fiscal year for the purpose of paying the
27 per diem and travel allowances of the groundwater board and employing
28 consultants or other help needed to fulfill its responsibilities, the State Controller
29 shall transfer that amount to a separate operating account for that fiscal year for the
30 groundwater basin. Claims against the account must be approved by the
31 groundwater board and paid as other claims against the State are paid. The State
32 Engineer may use money in a particular basin well account to support an activity
33 outside the basin in which the money is collected if the activity bears a direct
34 relationship to the responsibilities or activities of the State Engineer regarding the
35 particular groundwater basin.

36 **Sec. 4.** This act becomes effective on July 1, 2023.