## ASSEMBLY BILL NO. 575—ASSEMBLYMEN HUMKE, TIFFANY, BACHE, MORTENSON, LEE, GIBBONS, SEGERBLOM AND WILLIAMS

## MARCH 15, 1999

## Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing issuance of credits to certain public water systems for addition of new customers. (BDR 48-909)

FISCAL NOTE: Effect on Local Government: No. Effect on the State or on Industrial Insurance: 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 the provisions governing the issuance of credits to certain public water systems for the addition of new customers to the systems; and providing other matters properly relating thereto.

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

- **Section 1.** NRS 534.350 is hereby amended to read as follows:
- 2 534.350 1. The state engineer shall adopt regulations establishing a
- 3 program that allows a public water system to receive credits, as provided in
- 4 this section, for the addition of new customers to the system. The program
- 5 must be limited to public water systems in areas:
- (a) Designated as ground water basins by the state engineer pursuant to the provisions of NRS 534.030; and
- (b) In which the state engineer has denied one or more applications for any municipal uses of ground water.
- 2. Before the state engineer adopts any regulations pursuant to this section regarding any particular ground water basin, he shall hold a public hearing:
- (a) Within the basin to which the regulations will apply if adequate
- facilities to hold a hearing are available within that basin; or
- 15 (b) In all other cases, within the county where the major portion of that basin lies
- 17 to take testimony from any interested persons regarding the proposed
- 18 regulations.

- 3. Upon adoption of the regulations required by this section regarding a particular ground water basin, a public water system which provides service in that basin is entitled to receive a credit for each customer who is added to the system after the adoption of those regulations and:
- (a) Voluntarily ceases to draw water from a domestic well located within that basin; or
- (b) Is the owner of a lot or other parcel of land, other than land used or intended solely for use as a location for a water well, which:
  - (1) Is located within that basin;

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- (2) Was established as a separate lot or parcel before July 1, 1993;
- (3) Was approved by a local governing body or planning commission for service by an individual domestic well before July 1, 1993; and
- (4) Is subject to a written agreement which was voluntarily entered into by the owner with the public water system pursuant to which the owner agrees not to drill a domestic well on the land and the public water system agrees that it will provide water service to the land. Any such agreement must be acknowledged and recorded in the same manner as conveyances affecting real property are required to be acknowledged and recorded pursuant to chapter 111 of NRS.
- 4. The state engineer may require a new customer, who voluntarily ceases to draw water from a domestic well as provided in paragraph (a) of subsection 3, to plug that well.
  - 5. A credit granted pursuant to this section:
- (a) Must be sufficient to enable the public water system to add one service connection *to the system* for *a customer whose use of water is equivalent to that of* a single-family dwelling, [to the system,] except that the credit may not exceed the increase in water consumption attributable to the additional service connection or 1,800 gallons per day, whichever is less.
- less.

  (b) May be combined with one or more other credits granted pursuant to this section. The combined credits must be put to a beneficial use only within the area served by the public water system.
  - (c) May not be converted to an appropriative water right.
  - 6. This section does not:
    - (a) Require a public water system to extend its service area.
- 36 (b) Authorize any increase in the total amount of ground water pumped 37 in a ground water basin.
- 38 (c) Affect any rights of an owner of a domestic well who does not voluntarily bring himself within the provisions of this section.

- 7. As used in this section:
- (a) "Domestic well" means a well used for culinary and household purposes in a single-family dwelling, including the watering of a garden, lawn and domestic animals and where the draught does not exceed 1,800 gallons per day.

  (b) "Public water system" has the meaning ascribed to it in NRS 445A.840.