

SENATE BILL NO. 466—COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 29, 2005

Referred to Committee on Government Affairs

SUMMARY—Makes various changes concerning sale or lease of water rights by local governments. (BDR 20-1351)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 local governments; restricting the authority of a local government to sell or lease water rights; and providing other matters properly relating thereto.

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

- 1 **Section 1.** NRS 244.279 is hereby amended to read as follows:
2 244.279 1. A board of county commissioners may sell or
3 lease ~~;~~
4 ~~—(a) A~~ *a* right-of-way to a public utility as defined in NRS
5 704.020 ~~;~~ and
6 ~~—(b) Water rights to a public utility engaged in the business of~~
7 ~~furnishing water for municipal, industrial and domestic purposes to~~
8 ~~customers within the boundaries of the county;~~
9 ~~—~~ without first offering those rights-of-way ~~{or water rights}~~ to the
10 public.
11 2. If a public utility wishes to dispose of any right-of-way ~~{or~~
12 ~~water right}~~ acquired pursuant to subsection 1, it must be
13 reconveyed to the county.
14 **Sec. 2.** Chapter 533 of NRS is hereby amended by adding
15 thereto a new section to read as follows:
16 1. *Notwithstanding any other provision of law:*
17 (a) *A local government may sell or lease a water right only to:*
18 (1) *Another local government; or*



1 (2) *A public utility engaged in the business of furnishing*
2 *water for municipal, industrial or domestic purposes.*

3 (b) *A local government shall not sell or lease a water right*
4 *pursuant to paragraph (a) for more than the fair market value of*
5 *the water right.*

6 2. As used in this section, "local government" means:

7 (a) *Counties, cities, towns, school districts and other districts*
8 *organized pursuant to chapters 244, 309, 318, 379, 450, 473, 474,*
9 *539, 541, 543 and 555 of NRS.*

10 (b) *County fair and recreation boards and convention*
11 *authorities created pursuant to the provisions of NRS 244A.597 to*
12 *244A.655, inclusive.*

13 (c) *District boards of health created pursuant to the provisions*
14 *of NRS 439.370 to 439.410, inclusive.*

15 (d) *The Nevada Rural Housing Authority.*

16 Sec. 3. This act becomes effective upon passage and approval.

