

ASSEMBLY BILL NO. 422—ASSEMBLYWOMAN KIRKPATRICK

MARCH 21, 2011

Referred to Committee on Government Affairs

SUMMARY—Provides specific authority for public bodies to lease water rights to certain owners or holders of water rights. (BDR 48-681)

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; providing specific authority for public bodies to lease water rights to certain owners or holders of water rights; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 This bill specifically authorizes a public body to lease a water right owned by
2 the public body to an owner or holder of a water right who the State Engineer
3 determines is exceeding the amount of water to which the owner or holder is
4 entitled.

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. A public body may lease a water right owned by the public*
4 *body to an owner or holder of a water right who, as determined by*
5 *the State Engineer, is exceeding the amount of water to which the*
6 *owner or holder is entitled.*
7 *2. As used in this section, "public body" means the State or a*
8 *county, city, town, school district or any public agency of this State*
9 *or its political subdivisions. The term includes, without limitation,*
10 *a water district organized pursuant to a special act of the*
11 *Legislature or a water authority organized as a political*



1 *subdivision created by a cooperative agreement or created by a*
2 *special act of the Legislature.*

3 **Sec. 2.** NRS 533.550 is hereby amended to read as follows:

4 533.550 1. Notwithstanding any other provision of law ~~§~~
5 *and except as otherwise provided in section 1 of this act*, a public
6 body shall not sell or lease for a term of more than 5 years a water
7 right owned by the public body unless the public body, after holding
8 at least one public hearing at which public comment was solicited,
9 has issued written findings that:

10 (a) The sale or lease of the water right is consistent with the
11 prudent, long-term management of the water resources within the
12 jurisdiction of the public body;

13 (b) The sale or lease of the water right will not deprive residents
14 and businesses within the jurisdiction of the public body of
15 reasonable access to water resources for growth and development;

16 (c) The sale or lease of the water right is a reasonable means of
17 promoting development and use of the water right; and

18 (d) The means by which the water right is sold or leased
19 reasonably ensures that the public body will receive the actual value
20 of the water right or comparable economic benefits.

21 2. As used in this section, "public body" means the State or a
22 county, city, town, school district or any public agency of this State
23 or its political subdivisions. The term does not include a water
24 district organized pursuant to a special act of the Legislature or a
25 water authority organized as a political subdivision created by a
26 cooperative agreement or created by a special act of the Legislature.

27 **Sec. 3.** This act becomes effective on July 1, 2011.

