

**MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-sixth Session
March 28, 2011**

The Senate Committee on Government Affairs was called to order by Chair John J. Lee at 8:10 a.m. on Monday, March 28, 2011, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 5100, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator John J. Lee, Chair
Senator Mark A. Manendo, Vice Chair
Senator Michael A. Schneider
Senator Joseph (Joe) P. Hardy
Senator James A. Settelmeyer

GUEST LEGISLATORS PRESENT:

Senator Dean A. Rhoads, Rural Nevada Senatorial District

STAFF MEMBERS PRESENT:

Michael Stewart, Policy Analyst
Heidi Chlarson, Counsel
Cynthia Ross, Committee Secretary

OTHERS PRESENT:

John L. McLain, Wildfire Conservation Group
Pete Anderson, State Forester, Division of Forestry, Department of Conservation and Natural Resources
Neena K. Laxalt, Nevada Cattlemen's Association
Jason King, P.E., State Engineer, Division of Water Resources, Department of Conservation and Natural Resources
Kyle Davis, Nevada Conservation League

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Andy Belanger, Southern Nevada Water Authority; Las Vegas Valley Water District
Mike Baughman, Ph.D., Executive Director, Humboldt River Basin Water Authority
Steve Walker, Carson City; Lyon County; Truckee Meadows Water Authority
Barry Smith, Executive Director, Nevada Press Association, Inc.
Bruce Scott, P.E.
Vahid Behmaram, Washoe County Department of Water Resources
John A. Erwin, Truckee Meadows Water Authority

CHAIR LEE:

This Committee will first hear the introduction of Committee bill draft requests (BDR).

MICHAEL STEWART (Policy Analyst):

The first BDR for introduction is BDR 20-228. It is an act relating to unincorporated towns. It provides for the extension of debts, laws, ordinances, regulations and municipal taxes of an unincorporated town to any territory annexed by the unincorporated town.

BILL DRAFT REQUEST 20-228: Revised provisions relating to annexation of territory by certain unincorporated towns. (Later introduced as [Senate Bill 393](#).)

SENATOR MANENDO MOVED TO INTRODUCE BDR 20-228.

SENATOR SETTELMAYER SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR SCHNEIDER WAS ABSENT FOR THE VOTE.)

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MR. STEWART:

The second BDR for introduction is BDR C-918. It proposes to amend the Nevada Constitution to establish the Trust Fund for State Parks to be used exclusively for the acquisition, preservation and maintenance of State Parks for the benefit of the residents of this State.

BILL DRAFT REQUEST C-918: Proposes to amend the Nevada Constitution to establish the Trust Fund for State Parks. (Later introduced as [Senate Joint Resolution 13.](#))

SENATOR MANENDO MOVED TO INTRODUCE BDR C-918.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR SCHNEIDER WAS ABSENT FOR THE VOTE.)

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MR. STEWART:

The third BDR for introduction is BDR 20-1149. It relates to public records. It authorizes certain persons to request that personal information contained in the records of a county assessor be kept confidential.

BILL DRAFT REQUEST 20-1149: Authorizes certain persons to request that personal information contained in certain public records be kept confidential. (Later introduced as [Senate Bill 398.](#))

SENATOR MANENDO MOVED TO INTRODUCE BDR 20-1149.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR SCHNEIDER WAS ABSENT FOR THE VOTE).

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MR. STEWART:

The fourth BDR for introduction is BDR 28-744. It relates to employment and revises provisions governing the liability of a general contractor or subcontractor for certain benefit payments.

BILL DRAFT REQUEST 28-744: Revises provisions governing the liability of a general contractor or subcontractor for certain benefit payments. (Later introduced as [Senate Bill 394.](#))

SENATOR HARDY MOVED TO INTRODUCE BDR 28-744.

SENATOR MANENDO SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR SCHNEIDER WAS ABSENT FOR THE VOTE.)

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MR. STEWART:

The fifth BDR for introduction is BDR 20-1110. It revises provisions governing the formation of a township in certain counties. It allows the board of county commissioners in a county whose population is 30,000 or more but less than 40,000—which is Lyon and Nye Counties—to include more than one incorporated city within a single township.

BILL DRAFT REQUEST 20-1110: Revises provisions governing the formation of a township in certain counties. (Later introduced as [Senate Bill 399](#).)

SENATOR HARDY MOVED TO INTRODUCE BDR 20-1110.

SENATOR SETTELMAYER SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR SCHNEIDER WAS ABSENT FOR THE VOTE.)

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MR. STEWART:

The sixth BDR for introduction is BDR 23-1085. It relates to peace officers. This is a redraft of S.B. No. 396 of the 75th Session. It revises provisions governing a review by the peace officer of certain administrative or investigative files maintained by a law enforcement agency. It relates to governing investigations and hearings concerning peace officers.

BILL DRAFT REQUEST 23-1085: Revises provisions governing an investigation of a peace officer by a law enforcement agency. (Later introduced as [Senate Bill 397](#).)

SENATOR HARDY MOVED TO INTRODUCE BDR 23-1085.

SENATOR SETTELMAYER SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR SCHNEIDER WAS ABSENT FOR THE VOTE.)

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MR. STEWART:

The seventh BDR for introduction is BDR 19-169. It is from the Legislative Interim Study on the Powers Delegated to Local Governments. It creates the Nevada Advisory Committee on Intergovernmental Relations as a statutory committee.

BILL DRAFT REQUEST 19-169: Creates the Nevada Advisory Committee on Intergovernmental Relations as a statutory committee. (Later introduced as [Senate Bill 392](#).)

SENATOR HARDY MOVED TO INTRODUCE BDR 19-169.

SENATOR MANENDO SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR SCHNEIDER WAS ABSENT FOR THE VOTE.)

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MR. STEWART:

The eighth BDR for introduction is BDR 43-919. It was requested by the Mount Charleston Town Advisory Board. It changes the governmental entity entrusted to administer and distribute the additional funds generated by the special license plates for the support of the natural environment of the Mount Charleston area.

BILL DRAFT REQUEST 43-919: Changes the governmental entity entrusted to administer and distribute the additional funds generated by the special license plates for the support of the natural environment of the Mount Charleston area. (Later introduced as [Senate Bill 396](#).)

SENATOR HARDY MOVED TO INTRODUCE BDR 43-919.

SENATOR MANENDO SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR SCHNEIDER WAS ABSENT FOR THE VOTE.)

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CHAIR LEE:

I will now open the hearing on Senate Bill (S.B.) 361.

SENATE BILL 361: Authorizes the issuance of a temporary permit to appropriate water to establish fire-resistant vegetative cover in certain areas. (BDR 48-285)

SENATOR DEAN A. RHOADS (Rural Nevada Senatorial District):

Senate Bill 361 came out of the Legislative Committee on Public Lands. The Committee suggested passing a law to provide water on a temporary basis for the establishment of a fire-resistant vegetative crop to slow down the spread of wildfires.

There are many grasses that do not burn. The idea is to provide water on a temporary basis to plant these types of grasses to replace cheatgrass that grows, dries and burns quickly.

JOHN L. McLAIN (Wildfire Conservation Group):

The Wildfire Conservation Group is a volunteer organization of ranchers located in Humboldt County. The Group is working to combat and repel wildfires that have overrun a significant part of our State over the past decade. The Wildfire Conservation Group is coordinating with the University of Nevada, Reno, College of Agriculture Biotechnology and Natural Resources and Nevada Agricultural Experiment Station. The group is also working with other partners to restore rangelands that have been burned. Their efforts include assisting ranch operations to develop fuel management plans to help protect remote properties against threatening fires. There are significant amounts of cheatgrass and other fire-prone annual species that have increased across the State. The rural areas are susceptible to growing wildfire threat. One of the most effective means of protecting life and property in the rural areas is to reduce the existing

fuel loads and to establish seeded green strips of fire-resistant grasses and other species to reduce fire threat.

Nevada is the most arid state in the Country. Dryland seedings are a challenge to establish successfully absent adequate precipitation. Numerous rangeland seedings carried out following wildfires often fail for lack of moisture. Seeded species are the most drought-tolerant available, and these species also often fail for lack of moisture. The ability to utilize temporary irrigation to assist and successfully establish fuel-break seedings is limited, but it can make a difference between success and failure. This is especially true when drought conditions prevail. When seedings fail, cheatgrass and other fire-prone annuals overrun areas, and this increases the difficulty of reseeding.

The Wildfire Conservation Group supports S.B. 361. The legislation is a viable tool to allow conditions for successful fuel-break seeding treatments in rural areas. Nevada needs to use every means possible to confine wildfires to less acreage and to reduce fire threat to rural ranch operations.

CHAIR LEE:

This bill's intent is to replace fire-prone grasses with grasses that do not burn. First, a plan is presented that outlines what will be planted. If the State Engineer's Office approves the plan, the Office allows a temporary water permit for the growing of fire-resistant species.

MR. MCLAIN:

The plan is to establish narrow protective areas around farm or ranch operations. These green strips will protect properties from wildfires coming off public lands. Private land and resources will be saved. The same is true if a fire occurs on private land. The fire would not burn off into the public land. This bill will provide short-term, supplemental irrigation to assist seedings of fire-resistant species to come through successfully.

SENATOR RHOADS:

Ron Cerri, president of the Nevada Cattlemen's Association, wanted me to add his questions into testimony. Does the person applying for the temporary water permit have to be the property owner? He does not like the idea of anyone applying for water on his creek. Does the word "person" include the government? He does not want the government to apply for this water

allocation. Does this bill exempt newspaper publication? How would someone know if they wanted to protest? Can a person protest a temporary application?

MR. MCLAIN:

The intent of S.B. 361 is for a private individual to implement a constructive plan for his property. An individual can apply to the State Engineer if water is available. I have confidence in the State Engineer and his ability to manage the water resources of the State.

SENATOR HARDY:

Is the fire protection strip meant to have grazing on it?

MR. MCLAIN:

Grazing would not hurt the strip. These are species conducive to grazing. Once the perennial vegetation comes through, it will need to be harvested by a mower or by grazing. Grazing is good because it reduces fire fuel. The species in the strip hold their green through most of the fire season, but they will dry and go dormant in the winter months. If the species are not harvested, the green strip in the following year will have dry material in the strip. The management plans call for the species to be harvested annually once established.

SENATOR HARDY:

Are the species used in the green strips those that existed 200 years ago when Nevada had more natural grasses, or are they new hybrid species?

MR. MCLAIN:

The species are nonnative fire-resistant plants, but we are beginning to find natives with fire-resistant capabilities to include in the mixes. The green strips are relatively narrow and defined for the purpose of fire protection.

CHAIR LEE:

How far from the property's edge are the green strips placed?

MR. MCLAIN:

They can range between 100 feet to 300 feet, depending on a number of factors, including materials in the area and wind direction.

PETE ANDERSON (State Forester, Division of Forestry, Department of Conservation and Natural Resources):

I am in support of Senate Bill 361. Over the past 20 years, Nevada has experienced numerous large acreage wildfires which have destroyed hundreds of thousands of acres of native vegetation. The majority of those damaged lands are now occupied by a highly flammable annual grass commonly known as cheatgrass. Cheatgrass burns rapidly. It greens up early in the spring and dries quickly, sometimes in a matter of weeks. Senate Bill 361 provides an opportunity to utilize temporary irrigation for the establishment of fire-resistant vegetation on wildfire-damaged lands. The establishment of vegetative seedings without irrigation is subject to Mother Nature and may fail due to a lack of moisture during the establishment period. Passage of S.B. 361 would provide landowners and natural resource managers a critical tool to reduce the threat of wildfire by reestablishing fire-resistant vegetation after a wildfire.

CHAIR LEE:

The bill says the appropriation is a public interest. Mr. McLain said a rancher might want to protect his property from fire. How is "public interest" defined?

MR. ANDERSON:

We want a collaborative approach between federal land managers and ourselves in the management of wildfires. Anything to reduce the threat of wildfires and to contain them is in the best public interest. There are tremendous benefits by working together along the boundaries of State lands, private ranch lands and federal lands to reduce wildfire threat.

NEENA LAXALT (Nevada Cattlemen's Association):

I want to clarify the concerns of the Nevada Cattlemen's Association. The intent of the bill is not in question. The concern is with the bill's language. The language is not clear who can get on a person's property and utilize the water rights. We want to ensure property owners and their water rights are protected.

JASON KING, P.E. (State Engineer, Division of Water Resources, Department of Conservation and Natural Resources):

The State Engineer's Office is in support of S.B. 361 with two amendments, ([Exhibit C](#)). Our Office proposes that the language allowing for an extension of time not to exceed one growing season increment be stricken. Additional applications would have to be filed if additional time is needed. This is the case with other temporary permits. The application and permit fees proposed in the

bill are neither substantial nor a deterrent for filing successive applications. The second amendment, [Exhibit C](#), proposes the approved time period be extended to one year, not to one growing season.

It is important to get the bill's intent on the record. It is to provide water on a temporary basis for the establishment of fire-resistant vegetative crops to slow down the spread of wildfires. The bill does not require the State Engineer's Office to notice the application in a newspaper for the general public to learn about permits and to allow protest. It also needs to be clear that an applicant's attempt to circumvent the appropriative process found in *Nevada Revised Statute* (NRS) 533.370 for personal gain will cause the application to be denied. Examples of personal gain include getting water and using it for a cash crop or for growing a beautiful grass field.

One of the questions proposed by Senator Rhoads on Mr. Cerri's behalf addressed if governments could apply for an application. The State Engineer's Office interprets the word "person" to include governments. This lends to our interpretation that governments could file for temporary water permits.

Senate Bill 361 provides a new appropriation. This temporary water permit is new water in a basin. It does not go through the publication period, and we will issue the permit on a one-year basis, provided the temporary water right plan passes the intent of the green fire break. It is important to know that when an applicant files a regular water right application, we do not check to see if the applicant owns the property. We have a permit term that requires that the person applying for the permit have access to the property to put the water to beneficial use. The same idea is applied to S.B. 361. We would not verify that the applicant for the temporary water permit is the property owner.

KYLE DAVIS (Nevada Conservation League):

We support S.B. 361. The goal of this bill is good. We have seen a lot of Nevada's rangeland damaged by wildfires, which have significant impacts on wildlife habitats. We want to improve Nevada's rangeland and minimize plant species that are not good for the health of the range from becoming established.

ANDY BELANGER (Southern Nevada Water Authority; Las Vegas Valley Water District):

We support S.B. 361 with the amendments presented by the State Engineer's Office.

MIKE BAUGHMAN, PH.D. (Executive Director, Humboldt River Basin Water Authority):

Humboldt County and the Humboldt County River Basin Authority support the concept of S.B. 361. We have a few issues with the bill. There are concerns about the federal government applying for water rights on private lands or on land adjacent to private lands. This bill proposes applications for new water. There are variables to consider including availability of water. The State Engineer would need to take this variable into consideration. Did the proponents of the bill intend for this legislation to be an application to temporarily change the manner and use of water by landowners to provide for fire breaks around their properties? Under statute, the State Engineer can allow a temporary change for the manner and use of water appropriated to a landowner. If this is not the case, we need to ensure that the temporary water is existing appropriated water put to use on a temporary basis. This could alleviate concerns regarding filings by the federal government and others for new water on another's property. The question regarding if this bill is intended to be a temporary change in the manner and use of existing water rights held by a landowner is important to know. It is also important to know if statute allows the State Engineer to change the manner and use of water for the purpose of establishing fire-resistant crops to slow down the spread of wildfire.

CHAIR LEE:

The bill shows a fiscal note, but one has not been prepared. Have you prepared a fiscal note for S.B. 361?

MR. KING:

We did prepare a fiscal note, and it is zero. There is no fiscal impact for S.B. 361.

CHAIR LEE:

What happens if there is a need for water under this bill? Do existing permit holders have priority over the new permits for additional water for the establishment of green strips?

MR. KING:

Yes. This application would have a priority date of when it was issued, and it would last one year. If a permit was issued today, it would be a 2011 priority and the most junior right in the basin. The bill's criteria states that the permit will be issued if it will not affect existing rights.

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STEVE WALKER (Carson City):

Carson City is in support of S.B. 361 as amended. The fire chief in Carson City wants to go on the record in support of this bill.

BARRY SMITH (Executive Director, Nevada Press Association, Inc.):

There is concern that these permits would not be noticed. The intent of S.B. 361 is not to affect the water rights of others, but there should be an opportunity for water right owners to learn about the application and the temporary water permit. This will allow them to say if they will be impacted.

CHAIR LEE:

Do you want notice when a plan is given to the State Engineer?

MR. SMITH:

Yes. This will ensure people are aware of the temporary water permit.

CHAIR LEE:

The notice might trigger a hearing. The issue of notice needs to be further addressed.

CHAIR LEE:

The hearing on S.B. 361 is closed. I will now open the hearing on S.B. 363.

SENATE BILL 363: Revises the notice and publication requirements for certain applications for water rights. (BDR 48-31)

SENATOR RHOADS:

Senate Bill 363 does three things. It requires the State Engineer to publish applications for water rights twice a week, it extends the publication time from 30 days to 120 days and it provides notification to owners of other wells from within 2,500 feet to 5,000 feet.

This issue came before the Legislative Committee on Public Lands because a gentleman drilled a well that dried up other wells in the nearby vicinity. The drilled well was past 2,500 feet.

MR. KING:

The State Engineer's Office is not in support of S.B. 363 as written. When an application is filed with our office, we have 30 days to get the application to a

newspaper for publication. First, the bill proposes to change the time from 30 days to 120 days. We see no reason for the extended time frame. We hear complaints from applicants and the Nevada Supreme Court regarding the time it has taken the Office to take action on applications. We cannot see the advantage in adding on another 90 days before the application is sent to publication. We are able to keep up with the workload and take action in 30 days.

Second, the bill proposes publishing twice a week for eight consecutive weeks in the newspaper when an application is filed. A number of newspapers throughout the State only publish once a week. Under the proposed language, our Office and the newspapers would not be able to comply with the law. We have received many complaints from the newspapers that the statutory fee for filing an application does not cover their actual cost to publish the notices, and nothing in the bill addresses the additional cost for such an extended publication.

We are neutral on extending the notification to domestic well owners from 2,500 feet to 5,000 feet. When a municipality or someone applying for an industrial use files an application for a certain diversion rate, they have to notify domestic well owners within 2,500 feet, and this notification is through certified mail. They have to file the return receipts to the State's Engineer's Office so that the Office can verify that domestic well owners have been notified. Return receipts have to be filed with the Office before action is taken. It might make sense to require applicants to file the return receipts within 30 days of the Office sending the application notice to publication. This will allow domestic well owners the opportunity to file protests on applications before the end of the protest period. I offer this suggestion as an amendment ([Exhibit D](#)). The bill's language allows the return receipts to be filed prior to the Office taking action, which could be after the protest period. The change will allow domestic well owners the opportunity to file protests within the protest period.

CHAIR LEE:

One-half mile gives plenty of notice. How does extending the notice to one mile affect notification? The well owners closest to the well would have the most concern. Is there a reason for the extension to 5,000 feet?

MR. KING:

I am not aware of a reason. The 5,000 feet came from doubling the 2,500 feet notification distance. You are correct. The further away one is from the pumping of a large producing well, the smaller the impact.

SENATOR SETTELMAYER:

The extension of 2,500 feet to 5,000 feet would create a larger cost in the noticing process, correct?

MR. KING:

The noticing is paid for by the applicants. They send out the certified letters. There is no additional cost to the Office, but it is an additional cost for applicants.

MR. SMITH:

I am in favor of the increase in notice. There are some problems with language as how it is applied.

CHAIR LEE:

This bill will not decrease the publication or notice.

BRUCE SCOTT, P.E.

This bill is trying to fix a problem that does not exist. The noticing has been discussed, and it is expensive. If publication goes from 4 publication dates to 16, it causes a financial impact for people who are not complaining. The publication for water rights was published five times, once a week. It went down to four weeks a few sessions back. Increasing the public notice is a time-consuming and expensive process. Mr. King testified that many publications in the State only publish once a week. This creates further concern.

There is significant protection in statute for domestic wells. If we extend from a 2,500- to a 5,000-foot radius, four times the acreage is created that must be notified. Domestic wells are protected in statute, and the State Engineer is bound to consider them in all water right appropriation considerations. The mechanics of the proposed amendment are also difficult. I do not want to create a class of people who get a legal notice in the paper and receive a certified letter to consider a protest to a proposed application. The legal notice works well. A certified letter to a domestic well owner ahead of the protest period is overkill. It is expensive and involved. It puts the applicant at the mercy of the

post office in a system of finding domestic wells that is also not perfect. It is time-consuming to find who has a domestic well at the State Engineer's Office, and locating them can also be time-consuming. Well logs are not easy to recover, and addresses are not always current. Senate Bill 363 is not needed. It creates cost issues, time frame issues and a burden on utilities that are developing in areas of domestic wells that are gradually getting developed with a municipal water system. Most utilities have a practical way of connecting to domestic wells. There is no need for further protection.

VAHID BEHMARAM (Washoe County Department of Water Resources):

We are against S.B. 363 for several reasons. The provisions and the time frames in statute are effective in Washoe County. Domestic well owners are aware of new filings. The process works in favor of domestic well owners. We have experience with domestic wells going back to 1987 before the protectable interest provisions and other provisions were in law. In the 1980s, Washoe County had a monitoring and mitigation program in place for southwest Reno. We paid to deepen domestic wells.

The 2,500 feet and the 5,000 feet are arbitrary numbers. There is no scientific hydrological reason to support either number. The geology of an area's faulting can have a great impact on where negative impacts or drawdown can occur. To move from 2,500 feet to 5,000 feet accomplishes nothing.

There are different layers of protection for domestic well owners under NRS 533.3705. It is the protectable interest given to the domestic wells. *Nevada Revised Statute* 534.110, subsection 5 also provides for monitoring and mitigation in favor of the domestic well owners. Protection exists regardless of the 2,500- or 5,000-foot noticing process. If negative impacts are determined to be tied to a municipal pumping, the State Engineer has the discretion and the authority to step in, regardless of the 2,500- or 5,000-foot area, to regulate.

Senate Bill 363 is intended to protect domestic well owners, but it exempts manners of use. There is a disconnect. If the goal of this legislation is the protection of domestic interest, why should irrigation manner of use be exempt? Why should a commercial manner of use be exempt?

MR. WALKER (Lyon County; Truckee Meadows Water Authority):

Lyon County and Truckee Meadows Water Authority (TMWA) oppose Senate Bill 363 as written. Most of why we oppose this bill has been said.

I was involved in the legislative discussion in 2001 that set the 2,500-foot rule. I suggested at the discussion that instead of using arbitrary numbers, we should use science. When a well is drilled, the material and aquifer are logged, a pump test is done and estimation is given on properties. In water right hearings, there are estimates of drawdown over years from a well. The law, if changed, should move toward using science instead of arbitrary numbers.

I echo Mr. Behmaram's comments. What is good for the goose should be good for the gander. If the well is going to be a municipal well, extending 5,000 feet to notify domestic well owners, then it should also be an agricultural well and an industrial well. With that distance, there would be impacts on those types of wells.

CHAIR LEE:

Testimony indicated that certified mail takes time and the protest period can end before a person is notified. Does anyone have thoughts about this?

MR. WALKER:

This testimony is fair. If Senate Bill 363 passes, there should be an opportunity for protest by domestic well owners before the certified letter comes out.

MR. BEHMARAM:

This is a loophole that exists in the bill. The municipality could drag its feet in sending the notice by certified mail, and by the time the responses come back, the protest period could be over.

MR. SCOTT:

I see the notification process differently. Every domestic well owner gets the same notification under the law as everyone else in the basin. There are four weeks of successive publications regarding the proposed water right application. Creating a separate class that includes only domestic well owners who do not have a permit and having them send certified letters before the permit is finished with the publication or protest period singles out and creates an extensive impact on an applicant for a questionable benefit. The State Engineer is mandated to protect the interest of domestic wells.

This legislation will put a substantial burden on applicants if it is mandated that they have to file the return receipts from a proposed application. It may not be possible to receive return receipts from domestic well owners before the protest

period is over. The post office does not always return certified letters back in a week to ten days; it can take a couple of weeks. If a person gets three notices and does not pick up the certified letter, the post office returns the certified letter. The time frame can be half of the publication period.

Domestic wells are well-protected, and they get the same notice as everyone else in the basin. A bigger impact is potentially on another water right holder who has only a legal notice for protection. The State Engineer is mandated to protect a domestic well owner regardless if the domestic well owner protests. If a call is received, we send a letter to the domestic well owner. If there are questions, people can call the State Engineer or call us. We encourage them to express their concerns. They can send a letter or they can protest, but the State Engineer will consider their concerns regardless of a formal protest.

MR. BELANGER:

We share many of the concerns articulated by Mr. Scott, Mr. Behmaram and Mr. Walker. If we process this bill, I suggest leaving the newspaper notification the same but also requiring concurrent notification on the State Engineer's Website. This practice is taking place. It should be added into statute to ensure everybody who wants to participate in a hearing process has the opportunity, and that there are multiple venues for receiving notification.

JOHN A. ERWIN (Truckee Meadows Water Authority):

Mr. Walker has indicated we do not support S.B. 363 as written. I was also present in 2001 when the hearings took place on how to set the notification distance. It was an arbitrary number of 2,500 feet. In the Truckee Meadows, industrial-size wells have a radial influence of 800 feet to 1,000 feet. To expand the area from 2,500 feet to 5,000 feet captures four times the additional aerial surface. It goes from 6 million square feet up to 25 million square feet. Should we lose the productive capacity of an existing well, it becomes a burden on the utility. We do not have many productive zones, and we comply with statute. We work closely with domestic well neighbors as does Washoe County as we prepare to go to a location. We reach out to the community ahead of time and explain what we are doing. We take this action in case mitigation needs to take place. Protections are in place for domestic well owners. The State Engineer has been careful on submitted applications by TMWA or the county. The State Engineer considers the implications or impacts on the surrounding domestic well owners. Our community has worked well with the State Engineer's Office.

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CHAIR LEE:

We will now close the hearing on S.B. 363. We have one more BDR that needs introduction. We can rerefer this bill, but it needs introduction today.

MR. STEWART:

The final BDR for introduction is BDR 18-906. It establishes a technology commercialization plan for Nevada and creates the Nevada Research and Business Alliance. It authorizes the State Board of Finance to issue revenue bonds or other securities constituting special obligations of this State to provide funding for certain programs related to the commercialization of research and technology. It also allows the Alliance to make grants or loans from the Research and Business Fund to institutions within the Nevada System of Higher Education.

BILL DRAFT REQUEST 18-906: Establishes a technology communication plan for Nevada. (Later introduced as [Senate Bill 395](#).)

SENATOR MANENDO MOVED TO INTRODUCE BDR 18-906.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR LEE:

As there is no further business, this Senate Committee on Government Affairs is adjourned at 9:04 a.m.

RESPECTFULLY SUBMITTED:

Cynthia Ross,
Committee Secretary

APPROVED BY:

Senator John J. Lee, Chair

DATE: _____

<u>EXHIBITS</u>			
Bill	Exhibit	Witness / Agency	Description
	A		Agenda
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S.B. 361	C	Jason King	Amendment
S.B. 363	D	Jason King	Amendment