

ASSEMBLY BILL NO. 157—ASSEMBLYMEN WHEELER, KIRKPATRICK,
ELLISON; FIORE, MARTIN, OSCARSON AND WOODBURY

FEBRUARY 21, 2013

JOINT SPONSORS: SENATORS GOICOECHEA,
GUSTAVSON AND SETTELMAYER

Referred to Committee on Natural Resources,
Agriculture, and Mining

SUMMARY—Revises provisions relating to water furnished by a
municipal water system for domestic use in certain
counties. (BDR 48-565)

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 water; revising provisions relating to water
furnished by a municipal water system for domestic use in
certain counties; authorizing a consumer of water
furnished by a municipal water system to drill a well for
domestic use, use a preexisting well for that use or obtain
alternative water service under certain circumstances;
limiting the amount of revenue that a municipal water
system may generate; and providing other matters
properly relating thereto.

Legislative Counsel's Digest:

This bill sets forth provisions relating to water service that are applicable only
in a county whose population is less than 100,000 (currently counties other than
Clark and Washoe Counties).

Under existing law, the State Engineer may prohibit the drilling of wells for
domestic use in areas where water can be furnished by an entity such as a water
district or a municipality. (NRS 534.120) However, this bill authorizes certain
consumers of water to drill a well for domestic use, use a preexisting well for
domestic use or obtain alternative water service for domestic use if the amount
charged by a municipal water system to the consumer for water for domestic use
exceeds a certain amount. As used in this bill, the term "municipal water system"



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means any water system which is operated by a municipality, water district, general improvement district or other form of local government.

This bill further provides that: (1) a consumer who uses a well or alternative water service as authorized by this bill must not be charged any fee or assessment relating to the use of the well or alternative water service; and (2) to the extent that a consumer uses water from the well or alternative water service for irrigation or purposes relating to landscaping, the consumer is not required to ensure that the water satisfies certain primary drinking water standards adopted by the State Environmental Commission. This bill also limits the amount of revenue that a municipal water system may generate from furnishing water for domestic use.

This bill further requires a municipal water system to carry forward any unused portion of a gallon or other unit of water for the benefit of a consumer until that portion is used by the consumer. Finally, this bill requires certain county officers or entities that have the authority to levy taxes or assessments to allow certain persons to inspect or copy data maintained in the records of the county which relates to compliance with this bill by a municipal water system.

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

Section 1. Chapter 534 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Notwithstanding any other provision of law to the contrary, in a county whose population is less than 100,000:

(a) If a consumer of water furnished by a municipal water system for domestic use on a lot or parcel of 1 acre or more is charged:

(1) In a calendar year, an amount in excess of 25 percent more than the annualized monthly minimum rate charged by the municipal water system for that calendar year;

(2) In a calendar year, an amount in excess of 25 percent more than the annualized amount charged to the consumer by the municipal water system for any of the immediately preceding 4 calendar years; or

(3) A monthly rate that is in excess of 10 percent more than the monthly rate charged to any other consumer of water for domestic use furnished by the municipal water system,

↳ the consumer may drill a well for domestic use, use a preexisting well for domestic use or obtain alternative water service for domestic use in addition to or to the exclusion of the water furnished for domestic use by the municipal water system.

(b) A consumer who uses a well or alternative water service pursuant to paragraph (a) must not be charged any fee or assessment relating to the use of the well or alternative water service, including, without limitation, a fee for connecting to the well or alternative water service.



1 (c) *To the extent that a consumer uses water from a well or*
2 *alternative water service pursuant to paragraph (a) for irrigation*
3 *or purposes relating to landscaping, the consumer is not required*
4 *to ensure that the water complies with the primary drinking water*
5 *standards adopted pursuant to NRS 445A.855.*

6 (d) *If the revenue generated by a municipal water system from*
7 *furnishing water for domestic use exceeds 5 percent of the total*
8 *revenue generated for a fiscal year after deducting the cost of*
9 *furnishing the water and the amount of any reserves which may*
10 *be held in accordance with generally accepted accounting*
11 *principles, the municipal water system shall credit to the account*
12 *of each consumer the pro rata share of the amount of the excess*
13 *in accordance with the amount paid by the consumer for the*
14 *water, plus interest at the legal rate of this State from the date of*
15 *payment by the consumer.*

16 (e) *If a municipal water system charges for water based on the*
17 *number of gallons or other units of water used, the municipal*
18 *water system shall carry forward any unused portion of a gallon*
19 *or other unit for the benefit of a consumer until that portion is*
20 *used by the consumer.*

21 (f) *In addition to any record required to be open to public*
22 *inspection pursuant to NRS 239.010, if, within 45 days after*
23 *the close of a fiscal year, the board of county commissioners of the*
24 *county or the officer or other entity within the county that has the*
25 *authority to levy taxes or assessments within the county receives a*
26 *request from a resident of the county to inspect current data*
27 *maintained in the records of the county which relates to*
28 *compliance with this section by a municipal water system that*
29 *furnishes water within the county, the board of county*
30 *commissioners, officer or other entity shall, not later than 10 days*
31 *after the date on which it receives the request, allow the resident to*
32 *inspect or copy the data.*

33 2. *As used in this section, "municipal water system" means*
34 *any water system which is operated by a municipality, water*
35 *district, general improvement district or other form of local*
36 *government.*

