

Amendment No. 466

Senate Amendment to Senate Bill No. 65

(BDR 48-366)

Proposed by: Senate Committee on Government Affairs

Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will MAINTAIN the 2/3s majority vote requirement for final passage of S.B. 65 (§§ 17, 37, 64, 81).

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red-strikethrough~~ is deleted language in the original bill; (4) ~~purple double-strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.



SENATE BILL NO. 65—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE DIVISION OF WATER RESOURCES)

PREFILED DECEMBER 20, 2014

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to the use of water. (BDR 48-366)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
Effect on the State: Yes.

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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 the use of water; revising provisions relating to the adjudication of vested water rights; revising provisions relating to applications, permits and certificates for the appropriation of public waters; revising provisions relating to underground water and wells; revising provisions relating to the planning and development of water resources; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law declares that the water of all sources of water within the boundaries of Nevada, whether above or below the surface of the ground, belongs to the public. (NRS 533.025) Subject to existing rights, water in the State may be appropriated only for beneficial use, which existing law declares to be a public use. (NRS 533.030, 533.050) The unauthorized use of water to which another person is entitled and the willful waste of water to the detriment of another is prohibited, as is causing, suffering or permitting any artesian well to discharge unnecessarily so that the waters of the well are lost for beneficial use. (NRS 533.460, 534.0165, 534.070) **Sections 4, 67 and 75** of this bill revise the definition of, and prohibition on, wasting water. Under the provisions of this bill, "wasting" water includes causing or permitting water from any source to discharge or flow unnecessarily so that the water is lost for beneficial use, or misusing water such that it discharges or flows unnecessarily so that the water is lost for beneficial use.

Sections 5-8 and 12-44 of this bill revise provisions governing the adjudication of certain vested water rights. Under existing law, after receiving a petition requesting the determination of the relative rights of the various claimants to the waters of any stream or stream system, the State Engineer must enter an order granting the petition and proceed with the determination. The State Engineer then must prepare a notice of that order to be published in one or more newspapers of general circulation within the boundaries of the stream system. (NRS 533.090, 533.095) **Section 13** requires the notice to also set forth the date on which the State Engineer will begin taking proofs of appropriation, ~~and~~ the date by which such proofs must be filed **and the date by which any additional maps must be filed.** **Section 13** also requires the

State Engineer to provide the notice to each person whom the State Engineer knows or should know claims rights in or to the water.

Section 14 provides specifications for the information and documents that must accompany a proof of appropriation. **Section 5** requires any proof of appropriation or accompanying map that is found to be defective to be returned to the claimant with an explanation of why the proof or map is defective. A corrected proof or map must be refiled with the State Engineer within 60 days. **Section 15** provides that ~~amendments to~~ proofs of appropriation may not, with certain exceptions, be received by or filed with the State Engineer after the date set forth in the notice by which proofs must be filed. **Section 17** increases the amount of the fees that the State Engineer must collect for the filing of proofs of appropriation.

Section 6 requires the State Engineer, when investigating a ~~source of surface water or groundwater~~ **stream or stream system** for the purpose of adjudicating the vested rights of the water, to gather any essential data and information, compile a list of all proofs of appropriation filed for the area being adjudicated, conduct any necessary field investigations and verifications of the proofs and reduce his or her observations and measurements to writing. If the State Engineer causes a survey or map to be executed, the survey or map must be prepared by a licensed state water right surveyor and conform to certain specifications.

Existing law requires the State Engineer, after receiving the proofs of appropriation, to prepare a preliminary order of determination regarding the rights of claimants to the water and to deliver a copy of the preliminary order to each person who has filed a proof of appropriation. (NRS 533.140) **Section 18** authorizes the State Engineer to make a copy of the preliminary order available online in lieu of sending a copy to each claimant. Any person claiming any interest in the water may file an objection to the preliminary order, and **section 20** requires the hearing on objections to be held not less than ~~60~~ **120** days after the date of the preliminary order. **Section 20** also requires all testimony taken at such a hearing to be reported and transcribed by a certified court reporter, whose fees and expenses must be paid by the claimants objecting to the preliminary order.

Existing law requires the State Engineer to make an order of determination as soon as practicable after the hearing on objections to the preliminary order. (NRS 533.160) **Section 21** authorizes the State Engineer to make a copy of the order of determination available online in lieu of sending a copy to each claimant. A copy of the order of determination must be filed with the district court of the county in which the stream system is located, after which a time is set for a hearing by the district court on the order. (NRS 533.165) Any parties aggrieved or dissatisfied with the order of determination may file with the clerk of the district court a notice of exception to the order. (NRS 533.170) ~~Section 22 authorizes parties affected by or having an interest in any exception to file a response to the exception. Existing law requires that~~ **The** district court, after the hearing on the order of determination, ~~to~~ **must** enter a decree affirming or modifying the order. (NRS 533.185) **Section 8** authorizes the district court to require, under certain circumstances, that a revised map which accurately reflects the decree and conforms with the rules and regulations of the State Engineer ~~to~~ be prepared and filed with the district court and the State Engineer. Under existing law, the district court's decree may be appealed, and notice of the appeal must be served upon the attorneys of record for claimants who have filed exceptions to the final order of determination by the State Engineer. (NRS 533.200) **Sections 28 and 29** require any notice of appeal and notice of intention to move for a new trial to be served upon claimants who have filed exceptions but for whom there is no attorney of record.

~~Under existing law, after the filing of the order of determination in the district court, the distribution of adjudicated water is under the supervision and control of the district court. (NRS 533.220) Section 22 authorizes the State Engineer, under certain circumstances, to require certain water users to rotate in the use of the water to which they are entitled.~~

Finally, **section 37** amends provisions requiring the State Engineer to prepare an annual budget of the estimated expenses of administering and regulating each ~~adjudicated source of surface water or groundwater~~ **stream system and water district**. (NRS 533.280)

Sections 9 and 45-63 of this bill revise provisions regarding applications, permits and certificates for the appropriation of public waters. Existing law authorizes the State Engineer to extend the deadline by which construction related to such an appropriation must be completed. (NRS 533.380) **Section 54** provides that the failure by an applicant to provide proof and evidence of the good faith and reasonable diligence with which the applicant is

pursuing the perfection of ~~(an application)~~ a water appropriation is prima facie evidence of failure to proceed in good faith and with reasonable diligence. **Section 54** also authorizes the State Engineer to approve or deny an extension if the water right in question lies within a basin that is an area of active management or has been designated as a critical management area.

~~Existing law authorizes the holder of a permit to appropriate water whose permit is cancelled to request a review of the cancellation. (NRS 533.205) Section 60 revises provisions governing the deadline by which such a request must be filed with the State Engineer.~~

Existing law provides for the issuance by the State Engineer of certificates relating to the appropriation of water. (NRS 533.425) **Section 62** prohibits the State Engineer from issuing certificates based on certain revocable permits to appropriate water, ~~and requires the State Engineer to cancel a permit if the holder or holders of the permit do not pay the required fee for issuing and recording the certificate.~~ **Section 9** requires the State Engineer to quantify in acre-feet the amount of water that has been beneficially used for certificates which express the amount of appropriation only in terms of cubic feet per second.

Section 64 of this bill amends provisions relating to certain fees collected by the State Engineer.

~~Existing law governs the appropriation and use of groundwater. (Chapter 534 of NRS) Section 72 of this bill requires a person wishing to obtain a right to the use of groundwater from a basin to ensure that wildlife which customarily uses spring sources in the basin which could be impaired by any groundwater pumping will continue to have access to those sources. Section 76 of this bill authorizes the use of certain assessments levied by boards of county commissioners for the implementation of a groundwater management plan and the oversight of an area of active management or an area designated as a critical management area. Existing law authorizes the State Engineer to notify the owner of a right to underground water that has not been used for at least 4 consecutive years, but less than 5 consecutive years, that the owner has 1 year after the date of the notice in which to use the water beneficially and to provide proof of such use to the State Engineer to avoid forfeiting the water right. Upon request of the holder of the right, the State Engineer may extend the time necessary to work the forfeiture. (NRS 534.090) Section 77 of this bill provides that such an extension may not exceed 1 year from the expiration of the time otherwise necessary to work the forfeiture.~~

Section 78 of this bill ~~prohibits the user of~~ requires that a domestic well ~~who~~ the user of which is furnished water by an entity such as a water district or municipality, ~~from using water from the well for the watering of a family garden or lawn or the watering of livestock or any domestic animals or household pets. Section 78 also requires such a well to~~ be plugged in accordance with any applicable regulation of the State Engineer.

Sections 86 and 87 and 88 of this bill provide for the imposition of administrative fines against persons who violate certain provisions relating to the planning and development of water resources.

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

Section 1. Chapter 533 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 9, inclusive, of this act.

Sec. 2. ~~“Perennial yield” has the meaning ascribed to it in section 72 of this act.~~ ~~(Deleted by amendment.)~~

Sec. 3. ~~“Source of surface water or groundwater” includes, without limitation, a stream or stream system.~~ ~~(Deleted by amendment.)~~

Sec. 4. ~~“Waste” has the meaning ascribed to it in NRS 534.0165.~~ ~~(Deleted by amendment.)~~

Sec. 5. **1.** Upon the filing of a proof of appropriation pursuant to NRS 533.115, the State Engineer shall make ~~(an endorsement)~~ a notation thereon of the date of its receipt and shall keep a record of the date.

2. If a proof of appropriation or an accompanying map is found to be defective, it must be returned ~~by registered or certified mail~~ with a statement explaining why the proof was found to be defective, and the date of the return to the claimant must be ~~endorsed~~ noted upon the proof and a record made of it in the Office of the State Engineer.

3. A proof of appropriation, properly corrected and accompanied by such maps and drawings as may be required and by the fee required pursuant to NRS 533.135, must be refiled with the Office of the State Engineer within 60 days after the date of the return to the claimant.

4. Except as otherwise provided in this subsection, any proof of appropriation returned for correction or completion that is not refiled in proper form within 60 days must be rejected. For good cause shown, upon application made before the expiration of the 60-day period, the State Engineer may, in his or her discretion, grant an extension of time not to exceed 60 days in which to file the instruments.

Sec. 6. 1. In investigating a ~~source of surface water or groundwater~~ stream or stream system for the purpose of determining the relative rights of the various claimants to the waters thereto, the State Engineer shall:

(a) Gather such data and information as may be essential to the proper determination of the water rights in the area being adjudicated;

(b) Compile a list of the proofs of appropriation filed pursuant to NRS 533.115 for the area being adjudicated;

(c) Conduct any necessary field investigations and verifications of the proofs of appropriation; and

(d) Reduce his or her observations and measurements to writing.

2. If the State Engineer causes a survey or map to be executed:

(a) The survey or map must be prepared by a licensed state water right surveyor;

(b) An original of the map, when completed, must be filed and made of record in the Office of the State Engineer;

(c) The map filed in the Office of the State Engineer must ~~be on mylar on a scale of not less than 1,000 feet to the inch~~ comply with the provisions of subsection 2 of NRS 533.115; and

(d) The cost of executing the survey or map must be assessed and collected pursuant to NRS 533.190.

3. The State Engineer may use data, measurements and information compiled by the United States Geological Survey or other persons or governmental agencies in investigating ~~a source of surface water or groundwater~~ the stream or stream system.

Sec. 7. 1. Any and all maps, plats, surveys and evidence on file in the Office of the State Engineer relating to any proof of appropriation involved in a proceeding for the determination of the relative rights in and to the waters of any ~~source of surface water or groundwater~~ stream or stream system obtained or filed under the provisions of any statute relating to the Office of the State Engineer, is admissible in court and has the same force and effect as though submitted under the provisions of this chapter.

2. At least 90 days before the rendering of his or her order of determination of the relative rights in and to the waters of any ~~source of surface water or groundwater~~ stream or stream system, the State Engineer shall notify all parties in interest of his or her intention to consider any maps, plats and evidence described in subsection 1, and of his or her intention to submit the findings of the State Engineer to the court under the provisions of this chapter.

3. Within 60 days after such notice, any party in interest may file with the State Engineer any additional or supplementary maps, plats, surveys or evidence, or objections to the admissibility of any evidence previously presented and on file in the Office of the State Engineer, in relation to his or her claim of water rights or adverse to the claim or claims of the water rights of any other party or parties in interest, in order to perfect his or her claim in accordance with the provisions of this chapter, and the State Engineer shall consider the whole thereof in rendering such order of determination, and the same shall become a part of the record which must be submitted to the court as provided in NRS 533.170 to 533.235, inclusive.

Sec. 8. If a decree entered pursuant to NRS 533.185 holds that the water right of a claimant is different than the right claimed in the proof of appropriation filed by the claimant ~~or in the final order of determination of the State Engineer~~, or if discrepancies exist between a map accompanying a proof of appropriation or any other map that was required by the State Engineer after the initiation of an adjudication and any water right described in a decree entered pursuant to NRS 533.185, the court may require that a claimant:

1. Prepare a revised map which accurately reflects the decree and which conforms with the rules and regulations of the State Engineer ~~the prepared and filed;~~ and

2. File the map with the court and ~~filed and made of record in~~ the Office of the State Engineer.

Sec. 9. 1. The State Engineer shall quantify in acre-feet the amount of water that has been beneficially used for the purpose set forth in the certificate of appropriation for any certificate issued pursuant to NRS 533.425 which expresses the amount of the appropriation only in terms of cubic feet per second.

2. The State Engineer may request that the person to whom a certificate described in subsection 1 is issued provide information to support a specific duty of water that is used beneficially.

3. The State Engineer shall notify by registered or certified mail each person to whom a certificate described in subsection 1 is issued the amount of water that has been beneficially used for the purpose set forth in the certificate of appropriation, as quantified in acre-feet pursuant to subsection 1.

Sec. 10. ~~NRS 533.005 is hereby amended to read as follows:
533.005 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 533.007 to 533.023, inclusive, and sections 2, 3 and 4 of this act have the meanings ascribed to them in those sections.~~ (Deleted by amendment.)

Sec. 11. NRS 533.024 is hereby amended to read as follows:

533.024 The Legislature declares that:

1. It is the policy of this State:

(a) To encourage and promote the use of effluent, where that use is not contrary to the public health, safety or welfare, and where that use does not interfere with federal obligations to deliver water of the Colorado River.

(b) To recognize the importance of domestic wells as appurtenances to private homes, to create a protectable interest in such wells and to protect their supply of water from unreasonable adverse effects which are caused by municipal, quasi-municipal or industrial uses and which cannot reasonably be mitigated.

(c) To encourage the State Engineer to consider the best available science in rendering decisions concerning the available surface and underground sources of water in Nevada.

(d) To encourage and promote the use of water to prevent or reduce the spread of wildfire or to rehabilitate areas burned by wildfire, including, without limitation, through the establishment of vegetative cover that is resistant to fire.

2. The procedures in this chapter for changing the ~~place~~ point of diversion, manner of use or place of use of water, and for confirming a report of conveyance, are not intended to have the effect of quieting title to or changing ownership of a water right and that only a court of competent jurisdiction has the power to determine conflicting claims to ownership of a water right.

Sec. 12. NRS 533.090 is hereby amended to read as follows:

533.090 1. Upon a *written* petition to the State Engineer, signed by one or more water users of any stream or stream system, ~~source of surface water or groundwater~~, requesting the determination of the relative rights of the various claimants to the waters thereof, the State Engineer shall, if upon investigation the State Engineer finds the facts and conditions justify it, enter an order granting the petition and shall make proper arrangements to proceed with ~~such~~ the determination.

2. The State Engineer ~~shall~~ may, in the absence of ~~such~~ a petition requesting a determination of relative rights, enter an order for the determination of the relative rights to the use of water of any stream ~~source of surface water or groundwater~~ selected by the State Engineer. ~~commencing on the streams in the order of their importance for irrigation~~. As soon as practicable after the order is made and entered, the State Engineer shall proceed with ~~such~~ the determination as provided in this chapter.

~~3. A water user upon or from any stream or body of water shall be held and deemed to be a water user upon the stream system of which such stream or body of water is a part or tributary.~~

Sec. 13. NRS 533.095 is hereby amended to read as follows:

533.095 1. As soon as practicable after the State Engineer ~~shall make and enter the~~ enters an order pursuant to NRS 533.090 granting the petition or selecting the streams ~~source of surface water or groundwater~~ upon which the determination of rights is to begin, the State Engineer shall ~~prepare~~ issue a notice setting forth ~~the~~ :

(a) The fact of the entry of the order and of the pendency of the proceedings ;

~~1.~~
~~2. The notice shall:~~

~~(a) Name a date when the State Engineer or the State Engineer's assistants shall begin the examination.~~

~~(b) Set forth The date on which the State Engineer will commence the taking of proofs of appropriation regarding the rights in and to the waters of the~~ stream system;

~~(c) The date by which proofs of appropriation must be filed; and~~

~~(d) The fact that all claimants to rights in and to the waters of the~~ stream system ~~source of surface water or groundwater~~ are required ~~as provided in this chapter~~ to make proof of their claims ~~;~~ and

~~(e) The date by which any additional maps required pursuant to subsection 3 of NRS 533.115 must be filed in the Office of the State Engineer.~~

2. The date set pursuant to paragraph (c) of subsection 1 as the deadline for the filing of proofs of appropriation must not be less than 60 days after the date on which the State Engineer commences the taking of proofs.

3. The notice shall be published for a period of 4 consecutive weeks in one or more newspapers of general circulation within the boundaries of the stream system ~~area being adjudicated.~~

4. Concurrently with the first publication required by subsection 3, the State Engineer shall provide the notice to each person whom the State Engineer knows or reasonably should know claims rights in or to the ~~source of surface water or groundwater.~~ stream system. The notice must be delivered in person or mailed by registered or certified mail not later than 30 days before the date on which the State Engineer commences the taking of proofs of appropriation.

5. The State Engineer shall include with each notice the form upon which a claimant must present the statement required by NRS 533.115.

Sec. 14. NRS 533.115 is hereby amended to read as follows:

533.115 ~~The State Engineer shall, in addition, enclose with the notice to be mailed as provided in NRS 533.110, blank forms upon which the~~

1. To file a proof of appropriation, a claimant shall present in writing, on a form provided by the State Engineer ~~and signed under penalty of perjury, a statement of all particulars necessary for the determination of the claimant's right in or to the waters of the stream system. ~~the source of surface water or groundwater.~~ The statement ~~to~~ must include the following:~~

~~1-1~~ (a) The name and ~~post office~~ mailing address of the claimant ~~;~~

~~2-1~~ (b) The nature of the right or use on which the claim for appropriation is based ~~;~~

~~3-1~~ (c) The ~~time of the initiation of such right~~ priority date that is claimed and a description of the point of diversion and works of diversion and distribution ~~;~~

~~4-1~~ (d) The date ~~of beginning of~~ on which construction ~~;~~

~~5-1~~ began on works of diversion and distribution;

(e) The date ~~when~~ on which construction of works of diversion and distribution was completed ~~;~~

~~6-1~~ (f) The dates ~~of beginning and completion of~~ on which construction of any enlargements ~~;~~

~~7-1~~ The dimensions of the ditch as originally constructed and as enlarged.

~~8-1~~ or modifications of works of diversion and distribution began and were completed;

(g) The date ~~when~~ on which the water was first used for irrigation or other beneficial purposes and, if used for irrigation, the ~~amount of land reclaimed~~ number of acres irrigated the first year, the ~~amount~~ number of acres irrigated in subsequent years, ~~with~~ the dates of reclamation, and the area and location of the lands which ~~are intended to be~~ were irrigated ~~;~~

~~9-1~~ (h) The character of the soil and the kind of crops cultivated, the rate of diversion, the number of acre-feet of water per ~~annum~~ acre annually required to irrigate the land, and such other facts as will show the extent and nature of the right and compliance with the law in acquiring the same, as may be required by the State Engineer ~~;~~ and

(i) If the diverted water was used for a beneficial purpose other than irrigation, the rate of diversion, the number of acre-feet of water used annually, and, if the diverted water was used for watering livestock, the number and type of livestock.

2. The statement required by subsection 1 must be accompanied by a ~~survey and map drawn by a state water right surveyor and any drawings that are required to support the claimed right.~~ topographic map whose scale is not less than 1:24,000 or a map prepared by the United States Geological Survey covering

a quadrangle of 7 1/2 minutes of latitude and longitude and by further identifying the location or extent by one-sixteenth sections within a numbered section, township and range.

3. ~~¶The~~ Upon the initiation of an adjudication of a claimed right, if the proof of appropriation is for a manner of use other than stock water, the map required by subsection 2 must be upgraded to be on mylar on a scale of not less than 1,000 feet to the inch and must show with substantial accuracy the following:

(a) If the claimed right is from a source of surface water, a survey of the course or location of the stream, stream system or spring system;

(b) The location of each point of diversion and each ditch or canal diverting water from each point of diversion;

(c) The area and outline of the place of use identified in the statement, by legal subdivision; and

(d) ~~¶The~~ If the manner of use of the claimed right is for irrigation, the type of culture or manner of use on each place of use.

4. ~~The survey and~~ map required by subsection 2 or 3 must bear the affidavit of the state water right surveyor who draws the survey and ~~map. If the survey and map are made by different state water right surveyors, the map must bear the affidavit of each surveyor to demonstrate that the map as compiled agrees with the survey.~~

5. ~~The survey and~~ map required by subsection 2 or 3 must conform with the rules and regulations of the State Engineer.

6. ~~¶The statement required by subsection 1 must be:~~

~~(a) Accompanied by any additional map, survey, examination or inspection required by the State Engineer;~~

~~(b) Accompanied by evidence supporting the claimed date of priority of the water right being claimed, a complete chain of title demonstrating the claimant's ownership of the vested water right and a demonstration of continual use of the water by the claimant; and~~

~~(c) Made upon oath or affirmation of the claimant.~~

~~7.f~~ A claimant must present a separate statement proof of appropriation for each source of surface water in and to which the claimant claims rights.

~~¶8.f~~ 7. The State Engineer shall provide, free of charge, forms required for the submission of a proof of appropriation pursuant to this section.

Sec. 15. NRS 533.125 is hereby amended to read as follows:

533.125 1. The State Engineer shall commence the taking of proofs of appropriation on the date ~~fixed and named~~ set forth in the notice provided for in NRS ~~533.110 for the commencement of the taking of proofs. The State Engineer shall proceed therewith during~~ 533.095. Except as otherwise provided in this subsection, after the period fixed by the State Engineer and named ~~date set forth~~ in the notice ~~after which not~~ by which proofs ~~shall~~ must be filed, no amendments to any proofs may be received by or filed by the State Engineer. The State Engineer may, in his or her discretion, for cause shown, extend the time in which proofs may be filed.

2. Upon neglect or refusal of any person to make proof of his or her claim or rights in or to the waters of such stream system, any source of surface water or ground water as required by this chapter, prior to the expiration of the period fixed by the State Engineer during which proofs may be filed, the State Engineer ~~shall~~ may determine the right of such person from such evidence as the State Engineer may obtain or may have on file in the Office of the State Engineer in the way of maps, plats, surveys and transcripts, and ~~exceptions in the order of determination~~

~~entered pursuant to NRS 533.160.~~ **objections. Exceptions** to such determination may be filed in court, as provided in this chapter.

Sec. 16. NRS 533.130 is hereby amended to read as follows:

533.130 1. Any person interested in the water of any ~~stream~~ **source of surface water or groundwater being adjudicated** upon whom no service of notice ~~shall have been had off~~ **is made regarding** the pendency of proceedings for the determination of the relative rights to the use of water of ~~such stream system, the source of surface water or groundwater,~~ and who ~~shall have~~ **has** no actual knowledge or notice of the pendency of the proceedings, may, at any time prior to the ~~expiration of 6 months after the entry~~ **certification** of the ~~determinations off~~ **order of determination by** the State Engineer ~~to~~ **pursuant to NRS 533.160,** file a petition to intervene in the proceedings.

2. Such petition shall be under oath and shall contain, among other things:

(a) All matters required by this chapter of claimants who have been duly served with notice of the proceedings; and

(b) A statement that the intervenor had no actual knowledge of notice of the pendency of the proceedings.

3. ~~Upon the filing off~~ **If** the petition ~~in intervention~~ **to intervene is** granted by the State Engineer, the petitioner shall be allowed to intervene upon such terms as may be equitable, and thereafter shall have all rights ~~vouchsafed~~ **provided** by this chapter to claimants who have been duly served.

Sec. 17. NRS 533.135 is hereby amended to read as follows:

533.135 1. At the time of submission of proofs of appropriation, ~~where the necessary maps are prepared by the State Engineer, the fee collected from any claimants must be the actual cost of the survey and the preparation of maps.~~

~~2. The~~ **the** State Engineer shall collect a fee of ~~\$60~~ **\$100** for the filing of a proof of water used for watering livestock . ~~for wildlife purposes.~~ The State Engineer shall collect a fee of ~~\$120~~ **\$200** for **a proof of** any other ~~character of claim to water.~~ **claimed manner of use.**

2. **The State Engineer shall collect a fee of \$100 for the filing of a corrected proof of appropriation submitted pursuant to section 5 of this act.**

3. All fees collected as provided in this section must be accounted for in detail and deposited with the State Treasurer into the Water Distribution Revolving Account created pursuant to NRS 532.210.

Sec. 18. NRS 533.140 is hereby amended to read as follows:

533.140 1. As soon as practicable after the expiration of the period ~~fixed in~~ **during** which proofs **of appropriation** may be filed, the State Engineer shall assemble all proofs which have been filed ~~with the State Engineer,~~ and prepare, certify and have printed an abstract of all **of the claims described in** such proofs. The State Engineer shall also prepare from the proofs and evidence taken or given before the State Engineer, or obtained by the State Engineer, a preliminary order of determination establishing the ~~several~~ rights of claimants to the waters of the ~~stream.~~ **source of surface water or groundwater.**

2. ~~When~~ **Except as otherwise provided in subsection 3, when** the abstract of ~~proofs~~ **claims** and the preliminary order of determination ~~is~~ **are** completed, the State Engineer shall ~~then prepare a notice fixing and setting a time and place when and where the evidence taken by or filed with the State Engineer and the proofs of claims must be open to the inspection of all interested persons, the period of inspection to be not less than 20 days. The notice shall be deemed an order of the State Engineer as to the matters contained therein.~~

~~3. A copy of the notice, together with~~ **send by registered or certified mail, or serve personally,** a ~~printed~~ copy of the preliminary order of determination and ~~a printed copy off~~ the abstract of ~~proofs, must be delivered by the State Engineer, or~~

1 ~~sent by registered or certified mail, at least 30 days before the first day of such~~
2 ~~period of inspection.~~ *claims* to each person who has ~~appeared and~~ filed a proof ~~as~~
3 ~~provided in this section.~~

4 ~~4. The State Engineer shall be present at the time and place designated in the~~
5 ~~notice and allow, during that period, any~~ of appropriation.

6 *3. In lieu of sending or serving a copy of the preliminary order of*
7 *determination and the abstract of claims pursuant to subsection 2, the State*
8 *Engineer may:*

9 *(a) Make available a copy of the preliminary order of determination and the*
10 *abstract of claims on the Internet website of the State Engineer; and*

11 *(b) Send or deliver, by registered or certified mail or by personal service, to*
12 *each person who has filed a proof of appropriation notice that the preliminary*
13 *order of determination and the abstract of claims are available online on the*
14 *Internet website of the State Engineer.*

15 *4. Any persons interested* ~~to~~ *may* inspect, *at any time during regular office*
16 *hours*, such evidence and proof as have been filed with or taken by the State
17 Engineer in accordance with this chapter.

18 **Sec. 19.** NRS 533.145 is hereby amended to read as follows:

19 533.145 1. Any person claiming any interest in the stream system ~~source~~
20 ~~of surface water or groundwater~~ involved in the determination of relative rights to
21 the use of water, whether claiming under vested right or under permit from the
22 State Engineer, may object to any finding, part or portion of the preliminary order
23 of determination ~~made by the State Engineer~~ by filing objections with the State
24 Engineer within ~~30~~ 60 days after ~~the evidence and proofs, as provided in NRS~~
25 ~~533.140, shall have been opened to public inspection.~~ *the date on which a copy of*
26 *the preliminary order of determination, or notice that the preliminary order of*
27 *determination is available online, is sent or delivered pursuant to NRS 533.140,*
28 *or within such further time as* ~~for good cause shown~~ *may be allowed by the State*
29 *Engineer upon application* ~~and a showing of good cause.~~

30 *2. ~~Such objections~~ Objections* shall be verified by the affidavit of the
31 objector, or the objector's agent or attorney, and shall state with reasonable
32 certainty the grounds of objection.

33 **Sec. 20.** NRS 533.150 is hereby amended to read as follows:

34 533.150 1. ~~The~~ *Unless the claimants waive the time limitations of this*
35 *subsection or the requirement of such a hearing, the* State Engineer shall ~~fix~~ *set*
36 a time and place for ~~the~~ *a* hearing ~~on~~ objections, which ~~date~~ must not be
37 less than ~~30 days nor more than 60~~ 120 days after the date ~~the notice is served on~~
38 ~~the persons who are, or may be, affected thereby. The notice~~ *on which a copy of*
39 *the preliminary order of determination, or notice that the preliminary order of*
40 *determination is available online, is sent or delivered pursuant to NRS 533.140.*
41 *Notice of the hearing* may be sent by registered or certified mail to the persons to
42 be affected by the objections, and the receipt therefor constitutes legal and valid
43 proof of service. The notice may also be served by the State Engineer, or by any
44 person, appointed by the State Engineer, qualified and competent to serve a
45 summons in civil actions. Return thereof must be made in the same manner as in
46 civil actions in the district courts of this state.

47 *2. The State Engineer may adjourn hearings* ~~from time to time~~ *upon*
48 *reasonable notice to all parties interested. Depositions may be taken by any person*
49 *authorized to administer oaths and designated by the State Engineer or the parties in*
50 *interest, and oral testimony may be introduced in all hearings.*

51 *3. Witnesses are entitled to receive fees as in civil cases, to be paid by the*
52 *party calling those witnesses.*

~~4. *3.7*~~ The evidence in the proceedings must be confined to the subjects enumerated in the objections and the preliminary order of determination. ~~*for oral testimony may be introduced in all hearings.*~~

~~4. *5.*~~ All testimony taken at the hearings must be reported and transcribed in its entirety ~~*by a certified court reporter. The original and one copy of the transcript of the proceedings must be filed with the State Engineer.*~~

~~5. *6.*~~ *The claimants objecting to the preliminary order of determination shall pay, in equal portions, the fees for the appearance and travel expenses of the court reporter and for transcribing the portion of the hearing consisting of the comments of the State Engineer. Each such claimant shall pay a pro rata portion of the fees for the remaining portion of the hearing based on the percentage of the remaining portion of the hearing consisting of the case made by that claimant.*

Sec. 21. NRS 533.160 is hereby amended to read as follows:

533.160 1. As soon as practicable after ~~the~~ a hearing ~~on~~ objections to the preliminary order of determination, the State Engineer shall make and cause to be entered of record in the Office of the State Engineer an order of determination ~~by~~ defining the ~~several~~ rights to the waters of the stream or stream system. ~~source of surface water or groundwater.~~ The order of determination, when filed with the clerk of the district court as provided in NRS 533.165, has the legal effect of a complaint in a civil action.

2. The order of determination must be certified by the State Engineer. ~~who shall have printed as many copies of the order of determination as required. A~~ Except as otherwise provided in subsection 3, a copy of the order of determination must be sent by registered or certified mail or delivered in person to each person who has filed a proof of ~~claim~~ appropriation and to each person who has become interested through intervention or through filing of objections under the provisions of NRS 533.130 or 533.145.

3. *In lieu of sending or delivering a copy of the order of determination pursuant to subsection 2, the State Engineer may:*

(a) *Make available a copy of the order of determination on the Internet website of the State Engineer; and*

(b) *Send or deliver, by registered or certified mail or by personal service, to each person who has filed a proof of appropriation and to each person who has become interested through intervention or through the filing of objections notice that the order of determination is available online on the Internet website of the State Engineer.*

Sec. 22. NRS 533.165 is hereby amended to read as follows:

533.165 1. As soon as practicable thereafter, a certified copy of the order of determination, together with ~~the original~~ copies of the evidence and the transcript of testimony filed with, or taken before, the State Engineer, duly certified by the State Engineer, shall be filed with the clerk of the county, as ex officio clerk of the district court, in which the stream system ~~source of surface water or groundwater~~ is situated, or, if in more than one county but all within one judicial district, then with the clerk of the county wherein reside the largest number of parties in interest.

2. If such stream system ~~shall be the source of surface water or groundwater~~ is in two or more judicial districts, ~~then~~ the State Engineer shall notify the district judge of each of such judicial districts of his or her intent to file such order of determination, whereupon, within 10 days after receipt of such notice, ~~such~~ the judges shall confer and agree where the court proceedings under this chapter shall be held and ~~upon the~~ which judge ~~who~~ shall preside, and on

notification thereof the State Engineer shall file the order of determination, evidence and transcripts with the clerk of the court so designated.

3. If ~~{such}~~ *the* district judges fail to notify the State Engineer of their agreement, as provided in subsection 2, within 5 days after the expiration of ~~{such}~~ *the* 10 days, then the State Engineer may file ~~{such}~~ *the* order of determination, evidence and transcript with the clerk of any county the State Engineer may elect, and the district judge of ~~{such}~~ *the* county shall have jurisdiction over the proceedings in relation thereto.

4. If the judge so selected and acting shall retire from office, or be removed from office or be disqualified, for any cause, then the judge of the district court having jurisdiction of the proceedings shall act as the judge on the matter or shall select the judge to preside in such matter.

5. In all instances a certified copy of the order of determination shall be filed with the county clerk of each county in which such stream system, ~~{the source of surface water or groundwater}~~ or any part thereof, is situated.

6. Upon the filing of the certified copy of the order, evidence and transcript with the clerk of the court in which the proceedings are to be had, the State Engineer shall procure an order from the court setting the time for hearing. The clerk of ~~{such}~~ *the* court shall immediately furnish the State Engineer with a certified copy ~~{thereof}~~ *of the order of the court*. The State Engineer immediately thereupon shall mail a copy of ~~{such}~~ *the* certified order of the court, by registered or certified mail, addressed to each party in interest at the party's last known place of residence, and shall cause the same to be published at least once a week for 4 consecutive weeks in ~~{some}~~ *a* newspaper of general circulation published in each county in which such stream system, ~~{the source of surface water or groundwater}~~ or any part thereof is located. The State Engineer shall file with the clerk of the court proof of ~~{such}~~ *the* service by registered or certified mail and by publication. ~~{Such}~~ *The* service by registered or certified mail and by publication shall be deemed full and sufficient notice to all parties in interest of the date and purpose of ~~{such}~~ *the* hearing.

Sec. 23. NRS 533.170 is hereby amended to read as follows:

533.170 1. At least ~~{5}~~ *20* days prior to the date set for hearing, all parties in interest who are aggrieved or dissatisfied with the order of determination of the State Engineer shall file with the clerk of the court notice of exceptions to the order of determination of the State Engineer. The notice *of exceptions* shall state briefly the exceptions taken and the ~~{prayer for}~~ relief ~~{}~~ *requested*. A copy ~~{thereof}~~ *of the notice of exceptions* shall be served upon or transmitted *by registered or certified mail* to the State Engineer ~~{by registered or certified mail}~~ *and to all other parties that could be affected by or have an interest in the exception. A party affected by or having an interest in the exception may file a response to the exception not later than 10 days after the date on which the copy of the notice is served upon or transmitted to the party.* claimants.

2. The order of determination by the State Engineer and the ~~{statements or claims of claimants}~~ *and* exceptions made to the order of determination ~~{and responses to the exceptions}~~ shall constitute the pleadings, and there shall be no other pleadings in the ~~{cause}~~ *case*.

3. If no exceptions shall have been filed with the clerk of the court as provided in subsection 1, then on the day set for hearing the court may take further testimony if deemed proper, and shall then enter its findings of fact and judgment and decree.

4. On the day set for hearing, all parties in interest who have filed notices of exceptions ~~{for responses}~~ as provided in subsection 1, shall appear in person or

by counsel, and the court shall hear the same or set the time for hearing, until ~~such~~ the exceptions are disposed of.

5. All proceedings thereunder, including the taking of testimony, shall be as nearly as may be in accordance with the Nevada Rules of Civil Procedure; but the provisions of the Nevada Rules of Civil Procedure and NRS 18.110 shall not apply respecting the service of proposed findings of fact and decree or service and filing of a cost bill, and service shall be made in the following manner. ~~All claimants ~~the claimant~~ who have ~~first~~ filed exceptions ~~an exception or objections to the final order of determination response as provided in subsection 1~~~~ shall be served with a copy of the proposed findings of fact and decree by serving the attorney who appeared for ~~such claimants ~~the claimant~~~~ in the proceedings ~~1~~, or by personally serving the claimant if no attorney appeared for the claimant in the proceedings. All claimants or water users who have not filed exceptions ~~for objections responses~~ to the final order of determination shall be served with a copy of the proposed findings of fact and decree by serving a copy thereof on the Attorney General. ~~Such service.~~ Service, in each instance, shall be made at least 30 days before the findings of fact and decree shall be signed by the court, and the court shall not sign any findings of fact therein prior to the expiration of such 30 days. The cost bill shall be prepared and filed with the clerk of the court wherein the proceedings are pending, and it shall not be necessary to serve any of the exceptors, claimants or appropriators or their attorneys with a copy of the cost bill.

Sec. 24. NRS 533.180 is hereby amended to read as follows:

533.180 The court may, if necessary, refer the case or any part thereof for ~~such~~ further evidence to be taken by the State Engineer as it may direct, and may require a further determination by the State Engineer, subject to the court's instructions.

Sec. 25. NRS 533.185 is hereby amended to read as follows:

533.185 After the hearing the court shall enter a decree affirming or modifying the order of determination of the State Engineer. Within 30 days after the entry of final judgment by the district court, or if an appeal is taken, within 30 days after the entry of the final judgment by the appellate court or within 30 days after the entry of the final judgment after remand, the clerk of the court issuing the final judgment shall:

1. Deliver to the State Engineer a certified copy of the final judgment; and
2. Cause a certified copy of the final judgment to be filed in the office of the county recorder in each county in which the water adjudicated is applied to beneficial use and in each county in which the water adjudicated is diverted from its natural source.

Sec. 26. NRS 533.190 is hereby amended to read as follows:

533.190 1. At any time in the course of the hearings, the court may, in its discretion, by order assess and adjudge against any party such costs as it deems just and equitable or may so assess the costs in proportion to the amount of water right standing allotted at that time, or the court may assess and adjudge such costs and expenses in its final judgment upon the signing, entry and filing of its formal findings of fact, conclusions of law and decree adjudicating the water rights against any party as it deems just and equitable, or may so assess the costs in proportion to the amount of water right allotted and decreed in the final judgment.

2. After the making, entry and filing by the court of the first findings of fact, conclusions of law and decree made, entered and filed by the court in any ~~such~~ water adjudication as distinguished from the first proposed findings of fact, conclusions of law and decree, the court shall assess all costs and expenses against the loser or losers, in any and all subsequent proceedings in any such water adjudication.

3. If costs are assessed or allowed as provided for in this section and in NRS 533.170 and allotted, the State Engineer, within 60 days after such filing and entry, as above described, shall certify to the boards of county commissioners of the respective counties wherein the stream system ~~source of surface water or groundwater~~ is situate either the amount of acreage set forth in the order of determination to which water has been allotted, or the respective water rights against which such costs have been assessed by the court, and the charges against each water user in accordance with the court's judgment and allocation of costs. Upon receipt of the certificate from the State Engineer by the board of county commissioners, the board of county commissioners shall certify the respective charges contained therein to the county assessor of the county in which the land or property served is situated. The county assessor shall enter the amount of the charge on the assessment roll against the claimant's property or acreage served.

4. The proper officer of the county shall collect the assessment as other assessments are levied and collected, and the assessment is a lien upon the property so served and must be collected in the same manner as other assessments are collected, but such costs must be collected in equal installments over 2 fiscal years.

5. When the assessments are collected, the person collecting the assessments shall transmit the money collected to the State Treasurer at the time that person transmits other assessments collected by him or her as provided by law, and the State Treasurer shall deposit the money in the Adjudication Emergency Account provided for in NRS 532.200, out of which costs and expenses must be paid in the manner provided by law.

Sec. 27. ~~NRS 533.195 is hereby amended to read as follows:~~

~~533.195 1. Whenever a judge before whom a proceeding for the adjudication of a [stream system] source of surface water or groundwater is pending and not yet completed shall cease to be such judge from any cause whatsoever, his or her successor, to whom such proceeding may be assigned or a part of whose duty it becomes to preside in such proceeding, may do all things in and about such adjudication that may be necessary and proper, and may hear and decide all matters in connection therewith or relating thereto and make all orders, decisions, findings of fact, conclusions of law, judgments, decrees, and do all things necessary to complete the adjudication of [such stream system] the source of surface water or groundwater to the full extent and the same as though he or she had been the presiding judge in such proceeding from the commencement thereof.~~

~~2. NRS 3.180 shall not apply to [such stream system adjudication] proceedings.] for the adjudication of a source of surface water or groundwater.] (Deleted by amendment.)~~

Sec. 28. NRS 533.200 is hereby amended to read as follows:

533.200 Appeals from ~~such~~ **the** decree may be taken to the appellate court of competent jurisdiction pursuant to the rules fixed by the Supreme Court pursuant to Section 4 of Article 6 of the Nevada Constitution by the State Engineer or any party in interest in the same manner and with the same effect as in civil cases, except as to the following matters. Notice of appeal shall be served upon the attorneys of record for claimants who have filed exceptions ~~for objections~~ to the final order of determination of the State Engineer as provided in NRS 533.170 ~~;~~ **and all** **and upon all claimants who have filed exceptions but for whom there is no attorney of record. All** claimants or water users who have not filed exceptions ~~for objections~~ to the final order of determination or appeared in the ~~cause~~ **case** by an attorney shall be served with a copy of notice of appeal by the service of a copy thereof on the Attorney General as their process agent.

1 **Sec. 29.** NRS 533.205 is hereby amended to read as follows:

2 533.205 Notice of intention to move for a new trial shall be served upon the
3 attorneys of record for claimants who have filed exceptions ~~for objections~~ to the
4 final order of determination of the State Engineer as provided in NRS 533.170 ~~;~~
5 ~~and all~~ *and upon all claimants who have filed exceptions but for whom there is*
6 *no attorney of record.* All claimants or water users who have not filed exceptions
7 ~~for objections~~ to the final order of determination or appeared in the ~~cause~~ *case* by
8 an attorney shall be served with a copy of notice of intention to move for a new trial
9 by the service of a copy thereof on the Attorney General as their process agent.

10 **Sec. 30.** ~~NRS 533.210 is hereby amended to read as follows:~~

11 ~~533.210 1. The decree entered by the court, as provided by NRS 533.185,~~
12 ~~shall be final and shall be conclusive upon all persons and rights lawfully embraced~~
13 ~~within the adjudication; but the State Engineer or any party or adjudicated claimant~~
14 ~~upon any stream or stream system [source of surface water or groundwater]~~
15 ~~affected by such decree may, at any time within 2 years from the entry thereof,~~
16 ~~apply to the court for a modification of the decree, insofar only as the decree fixed~~
17 ~~the duty of water, and upon the hearing of such motion the court may modify such~~
18 ~~decree increasing or decreasing the duty of water, consistent with good husbandry,~~
19 ~~and consistent with the principle that actual and beneficial use shall be the measure~~
20 ~~and limit of the right.~~

21 ~~2. Notice of application shall be given as in civil cases.] (Deleted by~~
22 ~~amendment.)~~

23 **Sec. 31.** ~~NRS 533.215 is hereby amended to read as follows:~~

24 ~~533.215 Whenever there are 10 or less appropriators or claimants upon a~~
25 ~~[stream system.] source of surface water or groundwater, and all of such claimants~~
26 ~~or appropriators in writing waive the provisions of this chapter with reference to~~
27 ~~notices and the service and publication thereof, as provided in preceding sections,~~
28 ~~the State Engineer may make an order of determination without the giving, serving~~
29 ~~or publication of any notices required in this chapter, and may file the same with~~
30 ~~the district court in the manner prescribed in NRS 533.165. Whereupon, the same~~
31 ~~steps and proceedings shall be taken and decree entered as if all preliminary notices~~
32 ~~had been given prior to the making, entering and filing of the order of~~
33 ~~determination.] (Deleted by amendment.)~~

34 **Sec. 32.** NRS 533.220 is hereby amended to read as follows:

35 533.220 1. From and after the filing of the order of determination in the
36 district court, the distribution of water by the State Engineer or by any of the State
37 Engineer's assistants or by the water commissioners or their assistants shall, at all
38 times, be under the supervision and control of the district court. Such officers and
39 each of them shall, at all times, be deemed to be officers of the court in distributing
40 water under and pursuant to the order of determination or under and pursuant to the
41 decree of the court.

42 2. ~~[The State Engineer may require, when such rotation can be made~~
43 ~~without an adverse effect to the lands enjoying an earlier priority:~~

44 ~~(a) Water users owning lands to which water is appurtenant to rotate in the~~
45 ~~use of the supply of water to which they are collectively entitled; or~~

46 ~~(b) A single water user, having lands to which water rights of a different~~
47 ~~priority are attached, to rotate in the use of the supply of water.~~

48 ~~3.]~~ Upon the neglect or refusal of any claimant to the use of water as provided
49 in this chapter to carry out or abide by an order or decision of the State Engineer
50 acting as an officer of the court, the State Engineer may petition the district court
51 having jurisdiction of the matter for a review of such order and cause to be issued
52 thereon an order to show cause why the order and decision should not be complied
53 with.

3. ~~4.4~~ The order to show cause shall be personally served on *or sent by registered or certified mail to* the claimant or claimants complained of, who shall appear and show cause on the day fixed in the court's order. ~~so to do.~~

4. ~~5.4~~ The hearing on the petition and order to show cause shall be informal and summary in character, with full opportunity afforded each party to present his or her case.

5. ~~6.4~~ Appeals from the judgment may be taken to the appellate court of competent jurisdiction pursuant to the rules fixed by the Supreme Court pursuant to Section 4 of Article 6 of the Nevada Constitution in like manner as appeals in other civil cases; but notice of appeal must be served and filed within ~~40~~ 30 days from the entry of judgment.

Sec. 33. NRS 533.230 is hereby amended to read as follows:

533.230 From and after the filing of the order of determination, evidence and transcript with the county clerk, and during the time the hearing ~~is~~ on the order is pending in the district court, the division of water from the stream ~~source of surface water or groundwater~~ involved in such determination shall be made by the State Engineer in accordance with the order of determination.

Sec. 34. NRS 533.240 is hereby amended to read as follows:

533.240 1. In any suit brought in the district court for the determination of a right or rights to the use of water of any stream, ~~source of surface water or groundwater~~ all persons who claim the right to use the waters of such stream and the stream system ~~the source of surface water or groundwater~~ of which it is a part shall be made parties.

2. When the suit has been filed, the court shall direct the State Engineer to furnish a complete hydrographic survey *or investigation* of the stream system ~~source of surface water or groundwater~~ as provided in ~~NRS 533.100~~ *section 6 of this act* in order to obtain all physical data necessary to the determination of the rights involved.

3. The cost of the suit, including the costs on behalf of the State and of the surveys ~~or investigations~~ *or investigations*, shall be charged against each of the private parties thereto based on a determination by the court of the relative merits of the claims made by each of the private parties. The court may assess and charge against any party at any time during the suit an equitable amount to pay the costs of the survey *or investigation* upon its approval of an itemized statement therefor submitted by the State Engineer.

4. The court may at any time transfer the suit to the State Engineer for determination as provided in this chapter.

Sec. 35. NRS 533.270 is hereby amended to read as follows:

533.270 1. The State Engineer ~~shall~~ *may* appoint, subject to confirmation by any court having jurisdiction, one or more water commissioners for any stream system ~~source of surface water or groundwater~~ or water district subject to regulation and control by the State Engineer. The duties and salaries of the water commissioners must be fixed by the State Engineer and their salaries must be paid by the State of Nevada out of the water distribution accounts. The water commissioners are exempt from the provisions of chapter 284 of NRS.

2. The State Engineer ~~shall~~ *may* appoint a district supervisor of water commissioners and fix the district supervisor's duties. The district supervisor is in the unclassified service of the State.

Sec. 36. NRS 533.275 is hereby amended to read as follows:

533.275 1. The State Engineer may appoint an engineer, who is qualified in hydrographic and water distribution experience, to work in a supervisory capacity on water distribution and regulation service upon all adjudicated stream systems ~~sources of surface water or groundwater~~ within the State.

2. While engaged in that work, the salary and expenses of the engineer must be charged to the holders of water rights from the particular adjudicated stream system ~~source of surface water or groundwater~~ receiving the service upon the basis of time occupied and expenses incurred in the work, and payment must be made out of the water distribution account provided for the adjudicated stream system ~~source of surface water or groundwater~~.

3. When the engineer is not engaged in water distribution, additional work may be allotted to the engineer by the State Engineer, and payment therefor must be from other money available to the Office of the State Engineer.

Sec. 37. NRS 533.280 is hereby amended to read as follows:

533.280 1. The State Engineer shall, between the first Monday of October and the first Monday of December of each year, prepare a budget of the amount of money estimated to be necessary to pay the expenses of the stream system or ~~required to administer and regulate each decreed source of surface water or groundwater and~~ each water district for the then current year.

2. The budget must show the following detail:

(a) The aggregate amount estimated to be necessary to pay the expenses of administering the stream system or ~~required to administer and regulate each decreed source of surface water or groundwater and~~ each water district.

(b) The aggregate water rights in the stream system ~~source of surface water or groundwater~~ or water district as determined by the State Engineer or the court.

(c) The unit charge necessary to provide the money required.

(d) The charge against each water user, which must be based upon the proportion which the water right of that water user bears to the aggregate water rights in the stream system ~~source of surface water or groundwater~~, but the minimum charge is \$1.

3. When the stream system ~~source of surface water or groundwater~~ lies in more than one county, a separate budget must be prepared for each county showing only the claimants and charges assessable within the county.

4. When the stream system ~~source of surface water or groundwater~~ irrigates more than 200,000 acres of land, the assessment for water distribution expenses must not exceed ~~100~~ 50 cents per acre-foot of water decreed.

~~5. As used in this section, "decreed source of surface water or groundwater" means a source of surface water or groundwater for which a final judgment affirming or modifying an order of determination of the State Engineer has been entered.~~

Sec. 38. ~~NRS 533.290 is hereby amended to read as follows:~~

~~533.290 1. The assessments and charges provided for in NRS 533.285, when collected, must be deposited with the State Controller in the same manner as other special assessments, for credit to the Water District Account which is hereby created in the State General Fund.~~

~~2. All bills against the Water District Account must be certified by the State Engineer or an assistant thereof and, when certified and approved by the State Board of Examiners, the State Controller may draw his or her warrant therefor against the Account.~~

~~3. An advance must not be made from a [stream system] source of surface water or groundwater account that has been depleted until the advance is reimbursable from the proceeds of any assessments levied against the particular [stream system] source or water district for which any claims are presented.~~

~~4. Any money remaining in the Water District Account at the end of the current year must remain in the Account and be available for use in the following year.~~

~~5. The State Controller shall keep separate accounts of the money for each [stream system] source of surface water or groundwater or water district received from the various counties within which the [stream system] source or water district is located, and shall not draw warrants against an account until the State Controller has been notified by the State Engineer that assessments have been filed with the board of county commissioners, as required by NRS 533.285, that will return to the State of Nevada money advanced by the State out of the Water Distribution Revolving Account provided for in NRS 532.210.~~ **(Deleted by amendment.)**

Sec. 39. NRS 533.295 is hereby amended to read as follows:

533.295 1. Except as otherwise provided in NRS 534.040, money in the Water District Account must be used exclusively for expenses incurred in the administration, operation and maintenance of the particular stream system ~~source of surface water or groundwater~~ from which the money is budgeted and collected.

2. The term "expenses" referred to in NRS 533.270 to 533.290, inclusive, includes salaries, hydrographic surveys, investigations, per diem expenses, car rental, equipment, including necessary automobiles, supplies and materials incidental to the proper administration and distribution of water.

Sec. 40. NRS 533.300 is hereby amended to read as follows:

533.300 1. The State Engineer ~~shall~~ may divide the State into water districts, to be so constituted as to insure the best protection for the water users, and the most economical water supervision on the part of the State. The water districts must not be created until a necessity therefor arises and must be created from time to time as the priorities and claims to the streams ~~sources of surface water and groundwater~~ of the State are determined.

2. Upon the creation of a water district the State Engineer may appoint an advisory board of representative citizens within the district to assist the State Engineer in formulating plans and projects for the conservation of the water resources and the use thereof in the district. The per diem and necessary travel and subsistence expenses of the appointive members of the board must be paid from the account provided for the district in NRS 533.290; but the total annual per diem, travel and subsistence expenses of the members for each district must not exceed ~~\$800.~~ \$1,500. The State Engineer may call such meetings of the board as in the opinion of the State Engineer may be necessary and expedient.

Sec. 41. NRS 533.305 is hereby amended to read as follows:

533.305 1. The State Engineer shall divide or cause to be divided the waters of the natural streams or other sources of supply ~~surface water or groundwater~~ in the State among the several ditches ~~and~~ and reservoirs ~~and any other facilities~~ taking water therefrom, according to the rights of each, respectively, in whole or in part, and shall shut ~~close~~ or fasten, or cause to be shut ~~closed~~ or fastened, the headgates ~~or~~ or ditches, ~~wells or other facilities~~, and shall regulate, or cause to be regulated, the controlling works of reservoirs, as may be necessary to insure a proper distribution of the waters thereof.

2. The State Engineer shall have authority to regulate the distribution of water among the various users under any ditch or reservoir, whose rights have been adjudicated, or whose rights are listed with the clerk of any district court of this state pursuant to the terms of this chapter, the actual cost of such regulation being paid by the ditch or reservoir ~~user~~ receiving such service.

3. Whenever, in pursuance of his or her duties, the water commissioner regulates a headgate to a ditch or the controlling works of reservoirs, ~~wells or other facilities~~, the water commissioner shall attach to such headgate ~~or~~ or controlling works ~~or wells or other facilities~~ a written notice properly dated and signed, setting forth the fact that such headgate ~~or~~ or controlling works ~~has for wells or other facilities have~~ been properly regulated and is ~~are~~ wholly under the

1 water commissioner's control. Such notice shall be a legal notice to all parties
2 interested in the diversion and distribution of the water ~~of such ditch or reservoir.~~
3 Such water commissioner shall have the right of ingress and egress across and upon
4 public, private or corporate lands at all times in the exercise of his or her duties.

5 4. The ~~{district attorney}~~ *Attorney General* shall appear for or ~~{in}~~ *on* behalf
6 of the State Engineer, or the duly authorized assistants of the State Engineer, in any
7 case which may arise in the pursuance of the official duties of any such officer .
8 ~~{within the jurisdiction of the district attorney.}~~

9 **Sec. 42.** NRS 533.310 is hereby amended to read as follows:

10 533.310 1. On any stream ~~{source of surface water or groundwater}~~ in this
11 state on which the water rights have been adjudicated and determined and the final
12 decree therefor entered, as between all persons who claimed the right to the use of
13 the waters of such stream, ~~{the source of surface water or groundwater}~~ in a suit
14 brought in the district court having jurisdiction of such stream ~~{the source of~~
15 ~~surface water or groundwater}~~ and in which suit the adjudication and
16 determination was not had in the manner provided in NRS 533.090 to ~~{533.265,}~~
17 *533.320, inclusive, and sections 5 to 8, inclusive, of this act,* and thereafter one or
18 more of the parties as users of such adjudicated and determined rights or their
19 successors in interest desire that the State Engineer take charge of the diversions
20 and distribution of such rights and administer them in conformity with the final
21 decree of the court, they may petition the district court which entered the decree
22 requesting such administration.

23 2. Upon the filing of such petition, the district court shall direct that notice of
24 the filing of the petition shall be given to each water user or claimant to a water
25 right listed in the final decree. The notice shall be an order to show cause on the day
26 fixed in the order by the court, ~~{which day shall not be less than 10 days nor more~~
27 ~~than 25 days from and after the date of issuance thereof,}~~ and ~~{which}~~ *the* order
28 shall direct the person or persons therein named to attend before the court on that
29 day and show cause, if any they or each of them may have, why the petition should
30 not be granted. The court shall designate the form and direct the preparation of the
31 order or orders to show cause and by its order direct the manner, mode and the
32 payment of the cost of the service thereof.

33 3. For the purpose of the hearing on the petition, such petition shall be
34 deemed in the nature of a complaint. Objections of the water users or claimants, or
35 any of them, to the granting of the petition shall be in writing signed by such users
36 or claimants, or by any attorneys thereof. No other pleading shall be filed. Costs
37 shall be paid as in civil cases brought in the district court, except by the State
38 Engineer or the State. The practice in civil cases shall apply insofar as consistent
39 with the summary character of the proceedings. The State Engineer shall be given
40 notice of and, in person or by assistant or deputy state engineer, shall attend upon
41 the hearing of the petition.

42 4. The court, prior to the final determination of the matter, may, by an order
43 duly entered and served upon the State Engineer, direct the State Engineer to make
44 a hydrographic survey of the stream system ~~{source of surface water or~~
45 ~~groundwater}~~ and to render to the court a written report, together with such maps
46 and other necessary data as will enable the court to determine whether or not
47 administration of such water rights by the State Engineer would be in the best
48 interest of the water users.

49 5. If the district court finally determines the matter affirmatively, the court
50 shall, by its judgment duly entered and served on the State Engineer, direct the
51 State Engineer to distribute such waters in strict accordance with the decree, and
52 from and after the filing of such judgment in the district court and service thereof
53 on the State Engineer the administration of the decree and the distribution of the

water thereunder shall be under the supervision and control of the district court, and the State Engineer, the State Engineer's deputies, assistants and water commissioners, when engaged in the administration of the final decree and the distribution of the water thereunder, shall be deemed officers of the district court only and subject only to its supervision and control.

6. Appeals may be taken from the judgment so entered to the appellate court of competent jurisdiction pursuant to the rules fixed by the Supreme Court pursuant to Section 4 of Article 6 of the Nevada Constitution in the same manner and within the time as provided in NRS 533.450.

Sec. 43. ~~NRS 533.315 is hereby amended to read as follows:~~

~~533.315 The cost of the hydrographic survey of the [stream system] source of surface water or groundwater and the preparation of the reports and maps by the State Engineer necessary to advise the court in proceedings under NRS 533.310 shall be paid by the water users of the [stream] source of surface water or groundwater upon approval and order of the district court of an itemized statement therefor submitted by the State Engineer.] (Deleted by amendment.)~~

Sec. 44. ~~NRS 533.320 is hereby amended to read as follows:~~

~~533.320 The estimated cost of the administration of the final decree and the distribution of the waters of the [stream system] source of surface water or groundwater must be budgeted by the State Engineer in like manner and at the time as provided in NRS 533.280. The budget must be first submitted to the district court for approval. Upon approval thereof by the district court the budget must be submitted by the district court to the board of county commissioners of the proper county and thereupon all of the provisions of NRS 533.280 to 533.295, inclusive, govern with respect to the assessment and collection of the costs, the deposits thereof in the Water District Account in the State General Fund, and the payment of claims for the costs of administration of the final decree and the distribution of water thereunder.] (Deleted by amendment.)~~

Sec. 45. NRS 533.324 is hereby amended to read as follows:

533.324 As used in NRS 533.325, 533.345 and 533.425, "water already appropriated" includes water for whose appropriation the State Engineer has issued a permit but which has not been applied to the intended use before an application to change the ~~[place]~~ **point** of diversion, manner of use or place of use is made.

Sec. 46. NRS 533.325 is hereby amended to read as follows:

533.325 Any person who wishes to appropriate any of the public waters, or to change the ~~[place]~~ **point** of diversion, manner of use or place of use of water already appropriated, shall, before performing any work in connection with such appropriation, change in ~~[place]~~ **point** of diversion or change in manner or place of use, apply to the State Engineer for a permit to do so.

Sec. 47. NRS 533.335 is hereby amended to read as follows:

533.335 Each application for a permit to appropriate water shall contain the following information:

1. The name and ~~[post-office]~~ **mailing** address of the applicant and, if the applicant is a corporation, the date and place of incorporation.

2. The name of the source ~~[of surface water or groundwater]~~ from which the appropriation is to be made.

3. The amount of water which it is desired to appropriate, expressed in terms of cubic feet per second ~~and acre-feet~~ **per year**, except ~~that~~ :

(a) In an application for a permit to store water, where the amount shall be expressed in acre-feet ~~and~~ ; or

(b) For an application for a diversion rate only, where the amount shall be expressed in cubic feet per second.

4. The purpose for which the application is to be made.

5. A substantially accurate description of the location of the ~~place~~ point at which the water is to be diverted from its source and, if any of such water is to be returned to the source, a description of the location of the ~~place~~ point of return.

6. A description of the proposed works.

7. The estimated cost of such works.

8. The estimated time required to construct the works, and the estimated time required to complete the application of the water to beneficial use.

9. The signature of the applicant or a properly authorized agent thereof.

Sec. 48. NRS 533.345 is hereby amended to read as follows:

533.345 1. Every application for a permit to change the ~~place~~ point of diversion, manner of use or place of use of water already appropriated must contain such information as may be necessary to a full understanding of the proposed change, as may be required by the State Engineer.

2. If an applicant is seeking a temporary change of ~~place~~ the point of diversion, manner of use or place of use of water already appropriated, the State Engineer shall approve the application if:

(a) The application is accompanied by the prescribed fees;

(b) The temporary change is in the public interest; and

(c) The temporary change does not impair the water rights held by other persons.

3. If the State Engineer determines that the temporary change may not be in the public interest, or may impair the water rights held by other persons, the State Engineer shall give notice of the application as provided in NRS 533.360 and hold a hearing and render a decision as provided in this chapter.

4. A temporary change may be granted for any period not to exceed 1 year.

Sec. 49. NRS 533.360 is hereby amended to read as follows:

533.360 1. Except as otherwise provided in subsection 4, NRS 533.345 and subsection 2 of NRS 533.370, when an application is filed in compliance with this chapter, the State Engineer shall, within 30 days, publish or cause to be published once a week for 4 consecutive weeks in a newspaper of general circulation ~~and printed and published~~ in the county where the ~~water is sought to be appropriated,~~ point of diversion is located, a notice of the application which sets forth:

(a) That the application has been filed.

(b) The date of the filing.

(c) The name and address of the applicant.

(d) The name of the source ~~of surface water or groundwater~~ from which the appropriation is to be made.

(e) The location of the ~~place~~ point of diversion, described by legal subdivision or metes and bounds and by a physical description of that ~~place~~ point of diversion.

(f) The purpose for which the water is to be appropriated.

➤ The publisher shall add thereto the date of the first publication and the date of the last publication.

2. Except as otherwise provided in subsection 4, proof of publication must be filed within 30 days after the final day of publication. The State Engineer shall pay for the publication from the application fee. If the application is cancelled for any reason before publication, the State Engineer shall return to the applicant that portion of the application fee collected for publication.

3. If the application is for a proposed well:

(a) For municipal, quasi-municipal or industrial use; and

(b) Whose reasonably expected rate of diversion is one-half cubic foot per second or more,

the applicant shall mail a copy of the notice of application to each owner of real property containing a domestic well that is within 2,500 feet of the proposed well, to the owner's address as shown in the latest records of the county assessor. If there are not more than six such wells, notices must be sent to each owner by certified mail, return receipt requested. If there are more than six such wells, at least six notices must be sent to owners by certified mail, return receipt requested. The return receipts from these notices must be filed with the State Engineer before the State Engineer may consider the application.

4. The provisions of this section do not apply to an environmental permit or a temporary permit issued pursuant to NRS 533.436 or 533.504.

Sec. 50. NRS 533.363 is hereby amended to read as follows:

533.363 1. Except as otherwise provided in subsection 2, if water for which a permit is requested is to be used in a county other than that county in which it is to be appropriated, or is to be diverted from or used in a different county than that in which it is currently being diverted or used, then the State Engineer shall give notice of the receipt of the request for the permit to:

(a) The board of county commissioners of the county in which the water for which the permit is requested will be appropriated or is currently being diverted or used; and

(b) The board of county commissioners of the county in which the water will be diverted or used.

2. The provisions of subsection 1 do not apply:

(a) To an environmental permit or a temporary permit issued pursuant to NRS 533.436 or 533.504.

(b) If:

(1) The water is to be appropriated and used; or

(2) Both the current and requested ~~place~~ point of diversion or use of the water are,

within a single, contiguous parcel of real property.

3. A person who requests a permit to which the provisions of subsection 1 apply shall submit to each appropriate board of county commissioners a copy of the application and any information relevant to the request.

4. Each board of county commissioners which is notified of a request for a permit pursuant to this section shall consider the request at the next regular or special meeting of the board held not earlier than 3 weeks after the notice is received. The board shall provide public notice of the meeting for 3 consecutive weeks in a newspaper of general circulation in its county. The notice must state the time, place and purpose of the meeting. At the conclusion of the meeting the board may recommend a course of action to the State Engineer, but the recommendation is not binding on the State Engineer.

Sec. 51. NRS 533.364 is hereby amended to read as follows:

533.364 1. In addition to the requirements of NRS 533.370, before approving an application or a group of applications which collectively apply for an interbasin transfer of more than ~~{250 acre feet of groundwater}~~ 25 percent of the perennial yield or 1,000 acre feet of groundwater, whichever is less, from a basin which the State Engineer has not previously inventoried or for which the State Engineer has not conducted, or caused to be conducted, a study pursuant to NRS 532.165 or 533.368, the State Engineer or a person designated by the State Engineer shall conduct an inventory of the basin from which the water is to be exported. The inventory must include:

(a) The total amount of surface water and groundwater appropriated in accordance with a decreed, certified, vested or permitted right;

(b) An estimate of the amount and location of all surface water and groundwater that is available for appropriation in the basin; and

(c) The name of each owner of record set forth in the records of the Office of the State Engineer for each decreed, certified or permitted right in the basin.

2. The provisions of this section do not:

(a) Require the State Engineer to initiate or complete a determination of the surface water or groundwater rights pursuant to NRS 533.090 to 533.320, inclusive, **and sections 5 to 8, inclusive, of this act**, or to otherwise quantify any vested claims of water rights in the basin before approving an application for an interbasin transfer of groundwater from the basin; or

(b) Prohibit the State Engineer from considering information received from or work completed by another person to include in the inventory, if the inventory is otherwise conducted in accordance with the provisions of subsection 1.

3. The State Engineer shall charge the applicant a fee to cover the cost of the inventory. The amount of the fee must not exceed the cost to the State Engineer of conducting the inventory.

4. The State Engineer shall complete any inventory conducted pursuant to subsection 1 within 1 year after commencing the inventory. **It ~~waives~~ **unless the applicant waives the deadline.****

Sec. 52. NRS 533.365 is hereby amended to read as follows:

533.365 1. Any person interested may, within 30 days after the date of last publication of the notice of application, file with the State Engineer a written protest against the granting of the application, setting forth with reasonable certainty the grounds of such protest, which, except as otherwise provided in subsection 2, must be verified by the affidavit of the protestant, or an agent or attorney thereof.

2. If the application is for a permit to change the ~~place~~ **point** of diversion, manner of use or place of use of water already appropriated within the same basin, a protest filed against the granting of such an application by a government, governmental agency or political subdivision of a government must be verified by the affidavit of:

(a) Except as otherwise provided in paragraph (b), the director, administrator, chief, head or other person in charge of the government, governmental agency or political subdivision; or

(b) If the governmental agency or political subdivision is a division or other part of a department, the director or other person in charge of that department in this State, including, without limitation:

(1) The Regional Forester for the Intermountain Region, if the protest is filed by the United States Forest Service;

(2) The State Director of the Nevada State Office of the Bureau of Land Management, if the protest is filed by the Bureau of Land Management;

(3) The Regional Director of the Pacific Southwest Region, if the protest is filed by the United States Fish and Wildlife Service;

(4) The Regional Director of the Pacific West Region, if the protest is filed by the National Park Service;

(5) The Director of the State Department of Conservation and Natural Resources, if the protest is filed by any division of that Department; or

(6) The chair of the board of county commissioners, if the protest is filed by a county.

3. On receipt of a protest that complies with the requirements of subsection 1 or 2, the State Engineer shall advise the applicant whose application has been protested of the fact that the protest has been filed with the State Engineer, which advice must be sent by certified mail.

4. The State Engineer shall consider the protest, and may, in his or her discretion, hold hearings and require the filing of such evidence as the State Engineer may deem necessary to a full understanding of the rights involved. The State Engineer shall give notice of the hearing by **registered or** certified mail to both the applicant and the protestant. The notice must state the time and place at which the hearing is to be held and must be mailed at least 15 days before the date set for the hearing.

5. Each applicant and each protestant shall, in accordance with a schedule established by the State Engineer, provide to the State Engineer and to each protestant and each applicant information required by the State Engineer relating to the application or protest.

6. If the State Engineer holds a hearing pursuant to subsection 4, the State Engineer shall render a decision on each application not later than 240 days after the later of:

(a) The date all transcripts of the hearing become available to the State Engineer; or

(b) The date specified by the State Engineer for the filing of any additional information, evidence, studies or compilations requested by the State Engineer. The State Engineer may, for good cause shown, extend any applicable period.

7. The State Engineer shall adopt rules of practice regarding the conduct of a hearing held pursuant to subsection 4. The rules of practice must be adopted in accordance with the provisions of NRS 233B.040 to 233B.120, inclusive, and codified in the Nevada Administrative Code. The technical rules of evidence do not apply at such a hearing.

Sec. 53. NRS 533.3703 is hereby amended to read as follows:

533.3703 1. The State Engineer may consider the consumptive use of a water right and the consumptive use of a proposed beneficial use of water in determining whether a proposed change in the ~~place~~ **point** of diversion, manner of use or place of use complies with the provisions of subsection 2 of NRS 533.370.

2. The provisions of this section:

(a) Must not be applied by the State Engineer in a manner that is inconsistent with any applicable federal or state decree concerning consumptive use.

(b) Do not apply to any decreed, certified or permitted right to appropriate water which originates in the Virgin River or the Muddy River.

Sec. 54. NRS 533.380 is hereby amended to read as follows:

533.380 1. Except as otherwise provided in subsection ~~5~~ **7**, in an endorsement of approval upon any application, the State Engineer shall:

(a) Set a time before which the construction of the work must be completed, which must be within 5 years after the date of approval.

(b) Except as otherwise provided in this paragraph, set a time before which the complete application of water to a beneficial use must be made, which must not exceed 10 years after the date of the approval. The time set under this paragraph respecting an application for a permit to apply water to a municipal or quasi-municipal use on any land:

(1) For which a final subdivision map has been recorded pursuant to chapter 278 of NRS;

(2) For which a plan for the development of a project has been approved by the local government pursuant to NRS 278.010 to 278.460, inclusive; or

(3) On any land for which a plan for the development of a planned unit development has been recorded pursuant to chapter 278A of NRS,

must not be less than 5 years.

2. The State Engineer may limit the applicant to a smaller quantity of water, to a shorter time for the completion of work, and, except as otherwise provided in

paragraph (b) of subsection 1, to a shorter time for the perfecting of the ~~application than named in the application.~~ water appropriation.

3. Except as otherwise provided in ~~subsection 4~~ subsections 5 and 6 and NRS 533.395 and 533.4377, the State Engineer may, for good cause shown, grant any number of extensions ~~an extension~~ of time within which construction work must be completed, or water must be applied to a beneficial use under any permit ~~therefor~~ issued by the State Engineer. ~~1. but a~~ A single extension of time for a municipal or quasi-municipal use for a public water system, as defined in NRS 445A.235, must not exceed 5 years, and any other single extension of time must not exceed 1 year ~~1~~ from the required date for filing proofs as established in the permit or in a previous extension granted by the State Engineer. An application for the extension must in all cases be:

(a) Made within 30 days following notice by registered or certified mail that proof of the work is due as provided for in NRS 533.390 and 533.410; and

(b) Accompanied by proof and evidence of the good faith and reasonable diligence with which the applicant is pursuing the perfection of the ~~application.~~

~~The~~ water appropriation.

4. *The failure to provide the proof and evidence required by subsection 3 is prima facie evidence that the holder is not proceeding in good faith and with reasonable diligence to perfect the* ~~application.~~ water appropriation.

5. *Except as otherwise provided in this subsection, the State Engineer shall not grant an extension of time unless the State Engineer determines from the proof and evidence so submitted that the applicant is proceeding in good faith and with reasonable diligence to perfect the* ~~application.~~ water appropriation. The failure to provide the proof and evidence required pursuant to this subsection is prima facie evidence that the holder is not proceeding in good faith and with reasonable diligence to perfect the ~~application.~~

~~4.~~ water appropriation. If the water right in question lies within a basin that is an area of active management or has been designated as a critical management area by the State Engineer, the State Engineer may consider the goals and progress of any approved groundwater management plan in determining whether to approve or deny an extension of time. To effectuate the successful administration of the area of active management or critical management area. As used in this subsection, "area of active management" has the meaning ascribed to it in NRS 534.011.

6. Except as otherwise provided in subsection ~~5~~ 7 and NRS 533.395, whenever the holder of a permit issued for any municipal or quasi-municipal use of water on any land referred to in paragraph (b) of subsection 1, or for any use which may be served by a county, city, town, public water district or public water company, requests an extension of time to apply the water to a beneficial use, the State Engineer shall, in determining whether to grant or deny the extension, consider, among other factors:

(a) Whether the holder has shown good cause for not having made a complete application of the water to a beneficial use;

(b) The number of parcels and commercial or residential units which are contained in or planned for the land being developed or the area being served by the county, city, town, public water district or public water company;

(c) Any economic conditions which affect the ability of the holder to make a complete application of the water to a beneficial use;

(d) Any delays in the development of the land or the area being served by the county, city, town, public water district or public water company which were caused by unanticipated natural conditions; and

(e) The period contemplated in the:

(1) Plan for the development of a project approved by the local government pursuant to NRS 278.010 to 278.460, inclusive; or

(2) Plan for the development of a planned unit development recorded pursuant to chapter 278A of NRS,

if any, for completing the development of the land.

~~5-7~~ 7. The provisions of subsections 1 and ~~4-6~~ 6 do not apply to an environmental permit or a temporary permit issued pursuant to NRS 533.436 or 533.504.

~~6-8~~ 8. For the purposes of this section, the measure of reasonable diligence is the steady application of effort to perfect the application in a reasonably expedient and efficient manner under all the facts and circumstances. When a project or integrated system is composed of several features, work on one feature of the project or system may be considered in finding that reasonable diligence has been shown in the development of water rights for all features of the entire project or system.

Sec. 55. NRS 533.382 is hereby amended to read as follows:

533.382 Except as otherwise provided in NRS 533.387, every conveyance of an application or permit to appropriate any of the public waters, a certificate of appropriation, an adjudicated or unadjudicated water right or an application or permit to change the ~~place~~ point of diversion, manner of use or place of use of water must be:

1. Made by deed;

2. Acknowledged in the manner provided in NRS 240.161 to 240.168, inclusive; and

3. Recorded in the office of the county recorder of each county in which the water is applied to beneficial use and in each county in which the water is diverted from its natural source.

Sec. 56. NRS 533.383 is hereby amended to read as follows:

533.383 1. The recording of a deed pursuant to NRS 533.382 shall be deemed to impart notice of the contents of the deed to all persons at the time the deed is recorded, and a subsequent purchaser or mortgagee shall be deemed to purchase and take with notice of the contents of the deed.

2. The deed of:

(a) An application or permit to appropriate any of the public waters;

(b) A certificate of appropriation;

(c) An adjudicated or unadjudicated water right; or

(d) An application or permit to change the ~~place~~ point of diversion, manner of use or place of use of water,

that has not been recorded as required by NRS 533.382 shall be deemed void as against a subsequent purchaser who in good faith and for valuable consideration purchases the same application, right, certificate or permit, or any portion thereof, if the subsequent purchaser first records the deed in compliance with NRS 533.382.

Sec. 57. NRS 533.384 is hereby amended to read as follows:

533.384 1. A person to whom is conveyed an application or permit to appropriate any of the public waters, a certificate of appropriation, an adjudicated or unadjudicated water right or an application or permit to change the ~~place~~ point of diversion, manner of use or place of use of water, shall:

(a) File with the State Engineer, together with the prescribed fee, a report of conveyance which includes the following information on a form to be provided by the State Engineer:

(1) An abstract of title;

(2) Except as otherwise provided in subsection 2, a copy of any deed, written agreement or other document pertaining to the conveyance; and

(3) Any other information requested by the State Engineer.
(b) If the place of use of the water is wholly or partly within the boundaries of an irrigation district, file with the irrigation district:

(1) An abstract of title; and
(2) Except as otherwise provided in subsection 2, a copy of any deed, written agreement or other document pertaining to the conveyance.

2. The governing body of any local government of this State and any public utility which is a purveyor of water within the State may submit an affidavit or other document upon oath in lieu of the documents otherwise required by subparagraph (2) of paragraphs (a) and (b) of subsection 1, if the State Engineer finds that:

(a) The affidavit clearly indicates that rights for diverting or appropriating water described in the affidavit are owned or controlled by the governing body or utility; and

(b) The affiant is qualified to sign the affidavit.

Sec. 58. NRS 533.386 is hereby amended to read as follows:

533.386 1. The State Engineer shall confirm that the report of conveyance required by paragraph (a) of subsection 1 of NRS 533.384 includes all material required by that subsection and that:

(a) The report is accompanied by the prescribed fee;

(b) No conflict exists in the chain of title that can be determined by the State Engineer from the conveyance documents or other information on file in the Office of the State Engineer; and

(c) The State Engineer is able to determine the rate of diversion and the amount of water conveyed in acre-feet or million gallons from the conveyance documents or other information on file in the Office of the State Engineer.

2. If the State Engineer confirms a report of conveyance pursuant to subsection 1, the State Engineer shall in a timely manner provide a notice of the confirmation to the person who submitted the report of conveyance. The notice must include, without limitation:

(a) A statement indicating that neither the confirmation of the report of conveyance nor the report of conveyance, if the report sets forth the amount of water conveyed, guarantees that:

(1) The water right is in good standing with the Office of the State Engineer; or

(2) The amount of water referenced in the notice or in the report of conveyance is the actual amount of water that a person is entitled to use upon conveyance of the application or permit to appropriate any of the public waters, the certificate of appropriation, the adjudicated or unadjudicated water right, or the application or permit to change the ~~place~~ *point* of diversion, manner of use or place of use of water.

(b) A statement that the confirmation of the report of conveyance is not a determination of ownership and that only a court of competent jurisdiction may adjudicate conflicting claims to ownership of a water right.

3. If the State Engineer determines that the report of conveyance is deficient, the State Engineer shall reject the report of conveyance and return it to the person who submitted it, together with:

(a) An explanation of the deficiency; and

(b) A notice stating that the State Engineer will not confirm a report of conveyance that has been rejected unless the report is resubmitted with the material required to cure the deficiency. The notice must also include a statement of the provisions of subsection 5.

4. If, from the conveyance documents or other information in the Office of the State Engineer, it appears to the State Engineer that there is a conflict in the chain of title, the State Engineer shall reject the report of conveyance and return it to the person who submitted it, together with:

(a) An explanation that a conflict appears to exist in the chain of title; and
(b) A notice stating that the State Engineer will not take further action with respect to the report of conveyance until a court of competent jurisdiction has determined the conflicting claims to ownership of the water right and the determination has become final or until a final resolution of the conflicting claims has otherwise occurred. The notice must also include a statement of the provisions of subsection 5.

5. The State Engineer shall not consider or treat the person to whom:

(a) An application or permit to appropriate any of the public waters;
(b) A certificate of appropriation;
(c) An adjudicated or unadjudicated water right; or
(d) An application or permit to change the ~~place~~ point of diversion, manner of use or place of use of water,

is conveyed as the owner or holder of the application, right, certificate or permit for the purposes of this chapter, including, without limitation, all advisements and other notices required of the State Engineer and the granting of permits to change the ~~place~~ point of diversion, manner of use or place of use of water, until a report of the conveyance is confirmed pursuant to subsection 1.

6. If the State Engineer is notified that a court of competent jurisdiction has entered a judgment confirming ownership of a water right or resolving a conflict in a chain of title, and that the judgment has become final, the State Engineer shall take such administrative action as is appropriate or necessary to conform the records of the Office of the State Engineer with the judgment of the court, including, without limitation, amending or withdrawing a permit or certificate that was previously approved by the State Engineer.

Sec. 59. NRS 533.387 is hereby amended to read as follows:

533.387 The provisions of NRS 533.382 to 533.386, inclusive, do not apply to the conveyance of shares of stock in a ditch company which owns:

1. An application or permit to appropriate any of the public waters;
2. A certificate of appropriation;
3. An adjudicated or unadjudicated water right; or
4. An application or permit to change the ~~place~~ point of diversion, manner of use or place of use of water.

Sec. 60. NRS 533.395 is hereby amended to read as follows:

533.395 1. If, at any time in the judgment of the State Engineer, the holder of any permit to appropriate the public water is not proceeding in good faith and with reasonable diligence to perfect the appropriation, the State Engineer shall require the submission of such proof and evidence as may be necessary to show a compliance with the law. If, in the judgment of the State Engineer, the holder of a permit is not proceeding in good faith and with reasonable diligence to perfect the appropriation, the State Engineer shall cancel the permit ~~;~~ and ~~advise~~ send notice to the holder of the permit advising the holder of its cancellation. The failure to provide the proof and evidence required pursuant to this subsection is prima facie evidence that the holder is not proceeding in good faith and with reasonable diligence to perfect the appropriation.

2. If any permit is cancelled under the provisions of this section or NRS 533.390 or 533.410, the holder of the permit may within 60 days of the cancellation of the permit file a written petition with the State Engineer requesting a review of the cancellation by the State Engineer at a public hearing. ~~For a permit cancelled~~

~~under the provisions of this section, the petition must be filed within 60 days after the date the State Engineer sends notice to the holder of the permit advising the holder of its cancellation. For a permit cancelled under the provisions of NRS 533.390 or 533.410, the petition must be filed within 60 days after the date the State Engineer cancels the permit.~~

3. The State Engineer may, after receiving and considering evidence, affirm, modify or rescind the cancellation.

~~3-4~~ 4. If the decision of the State Engineer modifies or rescinds the cancellation of a permit, the effective date of the appropriation under the permit is vacated and replaced by the date of the filing of the written petition with the State Engineer.

~~4-4~~ 5. The cancellation of a permit may not be reviewed or be the subject of any judicial proceedings unless a written petition for review has been filed and the cancellation has been affirmed, modified or rescinded pursuant to subsection ~~4-4~~ 3.

~~4-5~~ 6. For the purposes of this section, the measure of reasonable diligence is the steady application of effort to perfect the appropriation in a reasonably expedient and efficient manner under all the facts and circumstances. When a project or integrated system is comprised of several features, work on one feature of the project or system may be considered in finding that reasonable diligence has been shown in the development of water rights for all features of the entire project or system.

~~4-6~~ 7. The appropriation of water or the acquisition or lease of appropriated water from any:

(a) Stream system ~~(Source of surface water or groundwater)~~ as provided for in this chapter; or

(b) Underground water as provided for in NRS 534.080,
by a political subdivision of this State or a public utility, as defined in NRS 704.020, to serve the present or the reasonably anticipated future municipal, industrial or domestic needs of its customers for water, as determined in accordance with a master plan adopted pursuant to chapter 278 of NRS or a plan approved by the State Engineer, must be considered when reviewing an extension of time.

Sec. 61. NRS 533.400 is hereby amended to read as follows:

533.400 1. Except as otherwise provided in subsection 2, on or before the date set in the endorsement of a permit for the application of water to beneficial use, or on the date set by the State Engineer under a proper application for extension, ~~therefor,~~ any person holding a permit from the State Engineer to appropriate the public waters of the State of Nevada, to change the ~~place~~ **point** of diversion or the manner or place of use, shall file with the State Engineer a statement under oath, on a form prescribed by the State Engineer. The statement must include:

(a) The name and ~~post office~~ **mailing** address of the person making the proof.
(b) The number and date of the permit for which proof is made.
(c) The source of the water supply.
(d) The name of the canal or other works by which the water is conducted to the place of use.

(e) The name of the original person to whom the permit was issued.

(f) The purpose for which the water is used.

(g) If for irrigation, the actual number of acres of land upon which the water granted in the permit has been beneficially used, giving the same by 40-acre legal subdivisions when possible.

(h) An actual measurement taken by a licensed state water right surveyor or an official or employee of the Office of the State Engineer of the water diverted for beneficial use.

(i) The capacity of the works of diversion.
(j) If for power, the dimensions and capacity of the flume, pipe, ditch or other conduit.
(k) The average grade and difference in elevation between the termini of any conduit.
(l) The number of months, naming them, in which water has been beneficially used.
(m) The amount of water beneficially used, taken from actual measurements, together with such other data as the State Engineer may require to become acquainted with the amount of the appropriation for which the proof is filed.

2. The provisions of subsection 1 do not apply to a person holding an environmental permit or a temporary permit issued pursuant to NRS 533.436 or 533.504.

Sec. 62. NRS 533.425 is hereby amended to read as follows:

533.425 1. Except as otherwise provided in *subsection 3 and* NRS 533.503, as soon as practicable after satisfactory proof has been made to the State Engineer that any application to appropriate water or any application for permission to change the ~~place~~ *point* of diversion, manner or place of use of water already appropriated has been perfected in accordance with the provisions of this chapter, the State Engineer shall issue to the holder or holders of the permit a certificate setting forth:

(a) The name ~~and post office address~~ of each holder of the permit.
(b) The date, source, purpose and amount of appropriation.
(c) If for irrigation, a description of the irrigated lands by legal subdivisions, when possible, to which the water is appurtenant.

(d) The number of the permit under which the certificate is issued.
2. If the water is appropriated from an underground source, the State Engineer shall issue with the certificate a notice of the provisions governing the forfeiture and abandonment of such water rights. The notice must set forth the provisions of NRS 534.090.

3. The State Engineer shall not issue a certificate based on a revocable permit issued pursuant to paragraph (a) of subsection 3 of NRS 534.120.

~~*4. The State Engineer shall cancel a permit if the holder or holders of the permit do not pay the fee required by NRS 533.135 for issuing and recording the certificate within 30 days after the State Engineer requests payment of the fee.*~~

Sec. 63. NRS 533.430 is hereby amended to read as follows:

533.430 1. Every permit to appropriate water, and every certificate of appropriation granted under any permit by the State Engineer upon any stream or stream system ~~source of surface water or groundwater~~ which shall have been adjudicated under the provisions of NRS 533.090 to 533.235, inclusive, *and sections 5 to 8, inclusive, of this act*, shall be, and the same is hereby declared to be, subject to existing rights and to the decree and modifications thereof entered in such adjudication proceedings, and the same shall be subject to regulation and control by the State Engineer and the water commissioners in the same manner and to the same extent as rights which have been adjudicated and decreed under the provisions of this chapter. Every such holder of a certificate or a permit shall in like manner be subject to all of the provisions of NRS 533.270 to 533.305, inclusive, 533.465, 533.475, 533.480, 533.481, 533.482, 535.050, 536.010, 536.020 and 536.030.

2. Upon any stream or stream system ~~source of surface water or groundwater~~ that has not been adjudicated and upon which the State Engineer has heretofore granted and may hereafter grant a permit or permits to appropriate water therefrom, any and all such permitted rights to the use of water so granted shall be

subject to regulation and control by the State Engineer to the same extent and in the same manner as adjudicated and permitted rights upon streams and stream systems ~~sources of surface water or groundwater~~ heretofore adjudicated pursuant to the provisions of this chapter.

Sec. 64. NRS 533.435 is hereby amended to read as follows:

533.435 1. The State Engineer shall collect the following fees:

For examining and filing an application for a permit to appropriate water \$360.00

This fee includes the cost of publication, which is \$50.

For reviewing a corrected ~~application~~ proof of appropriation ~~for~~ , a map of a proof of appropriation, an application ~~for~~ , a map ~~or both~~ or both an application and a map, in connection with an application for a water right permit 100.00

For examining and acting upon plans and specifications for construction of a dam 1,200.00

For examining and filing an application for each permit to change the point of diversion, manner of use or place of use of an existing right 240.00

This fee includes the cost of publication, which is \$50.

For examining and filing an application for a temporary permit to change the point of diversion, manner of use or place of use of an existing right 180.00

For issuing and recording each permit to appropriate water for any purpose, except for generating hydroelectric power which results in nonconsumptive use of the water or wildlife purposes 360.00
plus \$3 per acre-foot approved or fraction thereof.

Except for generating hydroelectric power, watering livestock or wildlife purposes, for issuing and recording each permit to change an existing water right whether temporary or permanent for any purpose 300.00
plus \$3 per acre-foot approved or fraction thereof.

For issuing and recording each permit for additional rate of diversion from a well where no additional ~~volume~~ duty of water is granted 360.00
plus \$3 per acre-foot, up to a maximum of \$
1,000.00.

For issuing and recording each permit to change the point of diversion or place of use ~~only~~ of an existing right whether temporary or permanent for ~~irrigational~~ irrigation purposes, a maximum fee of 750.00

For issuing and recording each permit to appropriate or change the point of diversion or place of use of an existing right whether temporary or permanent for watering livestock or wildlife purposes 240.00
plus \$50 for each cubic foot per second of water approved or fraction thereof.

1	For issuing and recording each permit to appropriate or	
2	change an existing right whether temporary or	
3	permanent for water for generating hydroelectric power	
4	which results in nonconsumptive use of the water.....	480.00
5	plus \$50 for each second-foot cubic foot per	
6	second of water approved or fraction thereof.	
7	For issuing filing a waiver in connection with an	
8	application to drill a well	120.00
9	For filing and examining a notice of intent to drill a well.....	25.00
10	For filing and examining an affidavit to relinquish water	
11	rights in favor of use of water for domestic wells.....	300.00
12	For filing a secondary application under a reservoir permit.....	300.00
13	For approving and recording a secondary permit under a	
14	reservoir permit	540.00
15	For reviewing each tentative subdivision map	180.00
16	plus \$1 per lot.	
17	For reviewing and approving each final subdivision map.....	120.00
18	For storage approved under a dam permit for privately	
19	owned nonagricultural dams which store more than 50	
20	acre-feet.....	480.00
21	plus \$1.25 per acre-foot storage capacity. This fee	
22	includes the cost of inspection and must be paid	
23	annually.	
24	For flood control detention basins.....	480.00
25	plus \$1.25 per acre-foot storage capacity. This fee	
26	includes the cost of inspection and must be paid	
27	annually.	
28	For filing proof of completion of work	60.00
29	For filing proof of beneficial use <u>under a</u>	
30	<u>revocable permit</u>	60.00
31	For <u>filing proof of beneficial use</u> , issuing and	
32	recording a certificate upon approval of the	
33	proof of beneficial use	350.00 410.00
34	For filing proof of resumption of a water right	360.00
35	For filing any protest.....	30.00
36	For filing any application for extension of time within which	
37	to file proofs, of completion or beneficial use, for each	
38	year for which the extension of time is sought	120.00
39	For filing any application for extension of time to prevent a	
40	forfeiture, for each year for which the extension of time	
41	is sought.....	120.00
42	For reviewing a cancellation of a water right pursuant to a	
43	petition for review	360.00
44	For examining and filing a report of conveyance filed	
45	pursuant to paragraph (a) of subsection 1 of NRS	
46	533.384.....	120.00
47	plus \$20 per conveyance document.	
48	For filing any other instrument	10.00
49	For making a copy of any document recorded or filed in the	
50	Office of the State Engineer, for the first page	1.00
51	For each additional page.....	.20
52	For certifying to copies of documents, records or maps, for	
53	each certificate.....	6.00

1	For each copy of any full size drawing or map	6.00
2	For each color copy of any full size drawing or map (2' x 3')	12.00
3	The minimum charge for a blueprint copy, per print	3.00
4	For colored mylar plots	10.00

5
6 2. When fees are not specified in subsection 1 for work required of the Office
7 of the State Engineer, the State Engineer shall collect the actual cost of the work.

8 3. Except as otherwise provided in this subsection, all fees collected by the
9 State Engineer under the provisions of this section must be deposited in the State
10 Treasury for credit to the Water Distribution Revolving Account created pursuant
11 to NRS 532.210. All fees received for blueprint copies of any drawing or map must
12 be kept by the State Engineer and used only to pay the costs of printing,
13 replacement and maintenance of printing equipment. Any publication fees received
14 which are not used by the State Engineer for publication expenses must be returned
15 to the persons who paid the fees. If, after exercising due diligence, the State
16 Engineer is unable to make the refunds, the State Engineer shall deposit the fees in
17 the State Treasury for credit to the Water Distribution Revolving Account created
18 pursuant to NRS 532.210.

19 **Sec. 65.** NRS 533.440 is hereby amended to read as follows:

20 533.440 1. All applications for reservoir permits shall be subject to the
21 provisions of NRS 533.324 to 533.435, inclusive, **and section 9 of this act**, except
22 those sections wherein proof of beneficial use is required to be filed. The person or
23 persons proposing to apply to a beneficial use the water stored in any such reservoir
24 shall file an application for a permit, to be known herein as the secondary permit, in
25 compliance with the provisions of NRS 533.324 to 533.435, inclusive, **and section**
26 **9 of this act**, except that no notice of such application shall be published.

27 2. The application shall refer to the reservoir for a supply of water and shall
28 show by documentary evidence that an agreement has been entered into with the
29 owner of the reservoir for a permanent and sufficient interest in such reservoir to
30 impound enough water for the purpose set forth in the application.

31 3. Effluent discharged from the point of the final treatment from within a
32 sewage collection and treatment system shall be considered water as referred to in
33 this chapter, and shall be subject to appropriation for beneficial use under the
34 reservoir-secondary permit procedure described in this section. Nothing in this
35 section shall preclude appropriation in accordance with and subject to the
36 provisions of NRS 533.324 to 533.435, inclusive **H**, **and section 9 of this act**.

37 4. When beneficial use has been completed and perfected under the secondary
38 permit, and after the holder thereof shall have made proofs of the commencement
39 and completion of his or her work, and of the application of water to beneficial use,
40 as in the case of other permits, as provided in this chapter, a final certificate of
41 appropriation shall issue as other certificates are issued, except that the certificate
42 shall refer to both the works described in the secondary permit and the reservoir
43 described in the primary permit.

44 **Sec. 66.** ~~NRS 533.455 is hereby amended to read as follows:~~

45 ~~533.455 1. Whenever a decree determining and adjudicating the relative~~
46 ~~rights of the claimants to the use of water of a [stream or stream system] source of~~
47 ~~surface water or groundwater has been entered in the district court pursuant to the~~
48 ~~provisions of this chapter, and the decree becomes final and the State Engineer has~~
49 ~~brought in that court any proceeding, either civil or of a criminal nature, concerning~~
50 ~~the administration of and for the enforcement of the provisions of the decree, and~~
51 ~~wherein the validity of the decree or any of its provisions is drawn in question by~~
52 ~~adversary parties and the decision or judgment of the court is that the decree or a~~
53 ~~part thereof is invalid, the State Engineer shall be deemed a party in interest with~~

the right to take an appeal from such decision or judgment to the appellate court of competent jurisdiction pursuant to the rules fixed by the Supreme Court pursuant to Section 4 of Article 6 of the Nevada Constitution.

~~2. Such appeal may be taken in the same manner as appeals in civil cases.]~~
(Deleted by amendment.)

Sec. 67. ~~[NRS 533.460 is hereby amended to read as follows:~~

~~533.460 [The unauthorized use of water to which another person is entitled, or the willful]~~

~~1. A person:~~

~~(a) Controlling surface water or groundwater shall not willfully waste [of water to the detriment of another, shall be a misdemeanor, and the possession] the water except to prevent a greater harm.~~

~~(b) Shall not possess or use [of] such water without legal right. [shall be prima facie evidence of the guilt of the person using or diverting it.]~~

~~2. A person who violates the provisions of subsection 1 is guilty of a misdemeanor.]~~
(Deleted by amendment.)

Sec. 68. ~~[NRS 533.481 is hereby amended to read as follows:~~

~~533.481 1. In addition to any other penalty provided by law, the State Engineer may, after notice and opportunity for a hearing, require a person who violates any provision of this chapter or any permit, certificate, order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120 to:~~

~~(a) Pay an administrative fine not to exceed \$10,000 per day for each violation as determined by the State Engineer.~~

~~(b) In the case of [an unauthorized] possession or use of water without legal right or willful waste of water in violation of NRS 533.460, [or] an unlawful diversion of water in violation of NRS 533.462, or any other violation of this chapter that, as determined by the State Engineer, results in an unlawful use, waste or diversion of water, replace not more than 200 percent of the water used, wasted or diverted.~~

~~2. If an administrative fine is imposed against a person pursuant to subsection 1 or the person is ordered to replace any water pursuant to that subsection, the State Engineer may require the person to pay the costs of the proceeding, including investigative costs and attorney's fees.~~

~~3. An order imposing an administrative fine or requiring the replacement of water or the payment of costs or fees pursuant to this section may be reviewed by a district court pursuant to NRS 533.450.]~~
(Deleted by amendment.)

Sec. 69. NRS 533.492 is hereby amended to read as follows:

533.492 1. A subsisting right to water livestock may be proven by an owner of livestock by one or more of the following items of evidence for the number of livestock and date of priority:

~~(a) ~~1.~~~~ As to water rights on open range, whether public lands or unfenced private lands or a combination of these:

~~(1) ~~1.~~~~ A statement of priority of use submitted to the Taylor Grazing Service, predecessor to the Bureau of Land Management, to show the numbers of livestock grazed upon the open range, for years from 1928 to 1934, inclusive, if accompanied by evidence of changes or absence of change since the date of the statement;

~~(2) ~~2.~~~~ A license issued by the Taylor Grazing Service for use upon the open range; or

~~(3) ~~3.~~~~ A statement of priority of use, or a license, issued by the United States Forest Service for the grazing of livestock before 1950.

~~(b) ~~2.~~~~ As to water rights on other privately owned land:

(1) ~~(a)~~ An affidavit concerning the number and kind of livestock by a person familiar with the use made of the lands;

(2) ~~(b)~~ A record of livestock assessed to the claimant of the right, or the claimant's predecessor, by a county assessor;

(3) ~~(c)~~ A count of livestock belonging to the claimant or the claimant's predecessor made by a lender; or

(4) ~~(d)~~ An affidavit of a disinterested person.

2. The location of a subsisting right to water livestock and its extent along a stream may be shown by marking upon a topographic map whose scale is not less than 1:100,000, 1:24,000 or a map prepared by the United States Geological Survey covering a quadrangle of 7 1/2 minutes of latitude and longitude and by further identifying the location or extent by one-sixteenth sections within a numbered section, township and range, as certified by a registered state water right surveyor.

Sec. 70. NRS 533.515 is hereby amended to read as follows:

533.515 1. No permit for the appropriation of water or application to change the point of diversion, manner of use or place of use under an existing water right may be denied because of the fact that the point of diversion described in the application for the permit, or any portion of the works in the application described and to be constructed for the purpose of storing, conserving, diverting or distributing the water are situated in any other state; but in all such cases where the place of intended use ~~is, or the lands, or part of the lands to be irrigated by means of the water, are~~ place of use is situated within this state, the permit must be issued as in other cases, pursuant to the provisions of NRS 533.324 to 533.450, inclusive, and chapter 534 of NRS.

2. The permit must not purport to authorize the doing or refraining from any act or thing, in connection with the system of appropriation, not properly within the scope of the jurisdiction of this state and the State Engineer to grant.

Sec. 71. ~~[Chapter 534 of NRS is hereby amended by adding thereto the provisions set forth as sections 72 and 73 of this act.] (Deleted by amendment.)~~

Sec. 72. ~~["Perennial yield" means the maximum amount of groundwater available for appropriation from a hydrographic basin on an annual basis for an indefinite period of time, as determined by the State Engineer.] (Deleted by amendment.)~~

Sec. 73. ~~[Before a person may obtain a right to the use of groundwater from a basin, the person must ensure that wildlife which customarily uses spring sources in the basin which could be impaired by any groundwater pumping in the basin will continue to have access to those sources.] (Deleted by amendment.)~~

Sec. 74. [NRS 534.010 is hereby amended to read as follows:

534.010 1. As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 534.0105 to 534.0175, inclusive, and section 72 of this act have the meanings ascribed to them in those sections.

2. As used in this chapter, the terms "underground water" and "groundwater" are synonymous.] (Deleted by amendment.)

Sec. 75. NRS 534.0165 is hereby amended to read as follows:

534.0165 "Waste" means ~~causing~~ causing ~~to suffer~~ to suffer ~~or~~ or permitting any ~~artesian~~ artesian well ~~water~~ water to discharge water ~~unnecessarily for flow~~

~~(a) Unnecessarily~~ above or below the surface of the ground so that the waters ~~thereof are~~ water is lost for beneficial use ~~for~~ in

~~(b) In~~ any canal or ditch conveying water from a well where the loss of water in transit is more than 20 percent of the amount of the water discharged from the well ~~for~~

~~2. Misusing water such that it discharges or flows
(a) Unnecessarily above or below the surface of the ground so that the water is lost for beneficial use; or~~

~~(b) In any canal or ditch conveying water from a well where the loss of water in transit is more than 20 percent of the amount of the water discharged from the well.~~

Sec. 76. ~~[NRS 534.040 is hereby amended to read as follows:~~

~~534.040 1. Upon the initiation of the administration of this chapter in any particular basin, and where the investigations of the State Engineer have shown the necessity for the supervision over the waters of that basin, the State Engineer may employ a well supervisor and other necessary assistants, who shall execute the duties as provided in this chapter under the direction of the State Engineer. The salaries of the well supervisor and [the] assistants [of the well supervisor] must be fixed by the State Engineer. The well supervisor and assistants are exempt from the provisions of chapter 284 of NRS.~~

~~2. The board of county commissioners shall levy a special assessment annually, or at such time as the assessment is needed, upon all taxable property situated within the confines of the area designated by the State Engineer to come under the provisions of this chapter in an amount as is necessary to pay those salaries, together with necessary expenses, including the compensation and other expenses of the Well Drillers' Advisory Board if the money available from the license fees provided for in NRS 534.140 is not sufficient to pay those costs. The assessments may be also used to pay for any services required in the area designated by the State Engineer to come under the provisions of this chapter, including, without limitation, the implementation of a groundwater management plan and oversight of an area of active management or an area designated as a critical management area by the State Engineer. In designated areas within which the use of groundwater is predominantly for agricultural purposes the levy must be charged against each water user who has a permit to appropriate water or a perfected water right, and the charge against each water user must be based upon the proportion which his or her water right bears to the aggregate water rights in the designated area. The minimum charge is \$1.~~

~~3. The salaries and expenses may be paid by the State Engineer from the Water Distribution Revolving Account pending the levy and collection of the assessment as provided in this section.~~

~~4. The proper officers of the county shall levy and collect the special assessment as other special assessments are levied and collected, and the assessment is a lien upon the property.~~

~~5. The assessment provided for, when collected, must be deposited with the State Treasurer for credit to the Water District Account to be accounted for in basin well accounts.~~

~~6. Upon determination and certification by the State Engineer of the amount to be budgeted for the current or ensuing fiscal year for the purpose of paying the per diem and travel allowances of the groundwater board and employing consultants or other help needed to fulfill its responsibilities, the State Controller shall transfer that amount to a separate operating account for that fiscal year for the groundwater basin. Claims against the account must be approved by the groundwater board and paid as other claims against the State are paid. The State Engineer may use money in a particular basin well account to support an activity outside the basin in which the money is collected if the activity bears a direct relationship to the responsibilities or activities of the State Engineer regarding the particular groundwater basin.] (Deleted by amendment.)~~

Sec. 76.5. NRS 534.070 is hereby amended to read as follows:

534.070 1. No person controlling ~~an artesian~~ a well in any basin in Nevada shall suffer the waters therefrom to flow to waste, unless, and as far as reasonably necessary in the judgment of the State Engineer, to prevent the obstruction thereof, or to flow or be taken therefrom except for beneficial purposes.

2. The owner of any ~~artesian~~ well from which water is being unnecessarily wasted shall be guilty of a misdemeanor.

Sec. 77. NRS 534.090 is hereby amended to read as follows:

534.090 1. Except as otherwise provided in this section, failure for 5 successive years after April 15, 1967, on the part of the holder of any right, whether it is an adjudicated right, an unadjudicated right or a right for which a certificate has been issued pursuant to NRS 533.425, and further whether the right is initiated after or before March 25, 1939, to use beneficially all or any part of the underground water for the purpose for which the right is acquired or claimed, works a forfeiture of both undetermined rights and determined rights to the use of that water to the extent of the nonuse. If the records of the State Engineer or any other documents specified by the State Engineer indicate at least 4 consecutive years, but less than 5 consecutive years, of nonuse of all or any part of a water right which is governed by this chapter, the State Engineer shall notify the owner of the water right, as determined in the records of the Office of the State Engineer, by registered or certified mail that the owner has 1 year after the date of the notice in which to use the water right beneficially and to provide proof of such use to the State Engineer or apply for relief pursuant to subsection 2 to avoid forfeiting the water right. If, after 1 year after the date of the notice, proof of resumption of beneficial use is not filed in the Office of the State Engineer, the State Engineer shall, unless the State Engineer has granted a request to extend the time necessary to work a forfeiture of the water right, declare the right forfeited. ~~within 30 days.~~ Upon the forfeiture of a right to the use of groundwater, the water reverts to the public and is available for further appropriation, subject to existing rights. If, upon notice by registered or certified mail to the owner of record whose right has been declared forfeited, the owner of record fails to appeal the ruling in the manner provided for in NRS 533.450, and within the time provided for therein, the forfeiture becomes final. The failure to receive a notice pursuant to this subsection does not nullify the forfeiture or extend the time necessary to work the forfeiture of a water right.

2. The State Engineer may, upon the request of the holder of any right described in subsection 1, extend the time necessary to work a forfeiture under that subsection if the request is made before the expiration of the time necessary to work a forfeiture. The State Engineer may grant, upon request and for good cause shown, any number of extensions, but ~~at~~ any single ~~time~~ extension ~~must~~ not ~~not~~ exceed 1 year. ~~from the expiration of the time otherwise necessary to work a forfeiture.~~ In determining whether to grant or deny a request, the State Engineer shall, among other reasons, consider:

(a) Whether the holder has shown good cause for the holder's failure to use all or any part of the water beneficially for the purpose for which the holder's right is acquired or claimed;

(b) The unavailability of water to put to a beneficial use which is beyond the control of the holder;

(c) Any economic conditions or natural disasters which made the holder unable to put the water to that use;

(d) Any prolonged period in which precipitation in the basin where the water right is located is below the average for that basin or in which indexes that measure soil moisture show that a deficit in soil moisture has occurred in that basin;

(e) Whether a groundwater management plan has been approved for the basin pursuant to NRS 534.037; and

(f) Whether the holder has demonstrated efficient ways of using the water for agricultural purposes, such as center-pivot irrigation.

☞ The State Engineer shall notify, by registered or certified mail, the owner of the water right, as determined in the records of the Office of the State Engineer, of whether the State Engineer has granted or denied the holder's request for an extension pursuant to this subsection. If the State Engineer grants an extension pursuant to this subsection and, before the expiration of that extension, proof of resumption of beneficial use or another request for an extension is not filed in the Office of the State Engineer, the State Engineer shall declare the water right forfeited ~~within 30 days~~ after the expiration of the extension granted pursuant to this subsection.

3. If the failure to use the water pursuant to subsection 1 is because of the use of center-pivot irrigation before July 1, 1983, and such use could result in a forfeiture of a portion of a right, the State Engineer shall, by registered or certified mail, send to the owner of record a notice of intent to declare a forfeiture. The notice must provide that the owner has at least 1 year after the date of the notice to use the water beneficially or apply for additional relief pursuant to subsection 2 before forfeiture of the owner's right is declared by the State Engineer.

4. A right to use underground water whether it is vested or otherwise may be lost by abandonment. If the State Engineer, in investigating a groundwater source, upon which there has been a prior right, for the purpose of acting upon an application to appropriate water from the same source, is of the belief from his or her examination that an abandonment has taken place, the State Engineer shall so state in the ruling approving the application. If, upon notice by registered or certified mail to the owner of record who had the prior right, the owner of record of the prior right fails to appeal the ruling in the manner provided for in NRS 533.450, and within the time provided for therein, the alleged abandonment declaration as set forth by the State Engineer becomes final.

Sec. 78. NRS 534.120 is hereby amended to read as follows:

534.120 1. Within an area that has been designated by the State Engineer, as provided for in this chapter, where, in the judgment of the State Engineer, the groundwater basin is being depleted, the State Engineer in his or her administrative capacity may make such rules, regulations and orders as are deemed essential for the welfare of the area involved.

2. In the interest of public welfare, the State Engineer is authorized and directed to designate preferred uses of water within the respective areas so designated by the State Engineer and from which the groundwater is being depleted, and in acting on applications to appropriate groundwater, the State Engineer may designate such preferred uses in different categories with respect to the particular areas involved within the following limits:

(a) Domestic, municipal, quasi-municipal, industrial, irrigation, mining and stock-watering uses; and

(b) Any uses for which a county, city, town, public water district or public water company furnishes the water.

3. Except as otherwise provided in subsection 5, the State Engineer may:

(a) Issue ~~temporary~~ **revocable** permits to appropriate groundwater which can be limited as to time and which may, except as limited by subsection 4, be revoked if and when water can be furnished by an entity such as a water district or a municipality presently engaged in furnishing water to the inhabitants thereof.

(b) Deny applications to appropriate groundwater for any use in areas served by such an entity.

(c) Limit the depth of domestic wells.

(d) Prohibit the drilling of wells for domestic use, as defined in NRS 534.013, in areas where water can be furnished by an entity such as a water district or a municipality presently engaged in furnishing water to the inhabitants thereof.

(e) In connection with the approval of a parcel map in which any parcel is proposed to be served by a domestic well, require the dedication to a city or county or a designee of a city or county, or require a relinquishment to the State Engineer, of any right to appropriate water required by the State Engineer to ensure a sufficient supply of water for each of those parcels, unless the dedication of the right to appropriate water is required by a local ordinance.

4. The State Engineer may revoke a ~~temporary~~ *revocable* permit issued pursuant to subsection 3 for residential use, and require a person to whom groundwater was appropriated pursuant to the permit to obtain water from an entity such as a water district or a municipality engaged in furnishing water to the inhabitants of the designated area, only if:

(a) The distance from the property line of any parcel served by a well pursuant to a ~~temporary~~ *revocable* permit to the pipes and other appurtenances of the proposed source of water to which the property will be connected is not more than 180 feet; and

(b) The well providing water pursuant to the ~~temporary~~ *revocable* permit needs to be redrilled or have repairs made which require the use of a well-drilling rig.

5. The State Engineer may ~~limit the depth of a domestic well pursuant to paragraph (c) of subsection 3~~ *limit the depth of a domestic well pursuant to paragraph (c) of subsection 3* or prohibit repairs from being made to a well, and may require the person proposing to deepen or repair the well to obtain water from an entity such as a water district or a municipality engaged in furnishing water to the inhabitants of the designated area, only if:

(a) The distance from the property line of any parcel served by the well to the pipes and other appurtenances of the proposed source of water to which the property will be connected is not more than ~~180~~ *1,000* feet; and

(b) The deepening or repair of the well would require the use of a well-drilling rig.

6. For good and sufficient reasons, the State Engineer may exempt the provisions of this section with respect to public housing authorities.

7. *If a user of a domestic well is furnished water by an entity such as a water district or a municipality,*

~~(a) The water from the domestic well must not be used for the watering of a family garden or lawn or the watering of livestock or any domestic animals or household pets; and~~

~~(b) The domestic well must be plugged pursuant to the provisions of any applicable regulations adopted by the State Engineer.~~

8. The provisions of this section do not prohibit the State Engineer from revoking a ~~temporary~~ *revocable* permit issued pursuant to this section if any parcel served by a well pursuant to the ~~temporary~~ *revocable* permit is currently obtaining water from an entity such as a water district or a municipality engaged in furnishing water to the inhabitants of the area.

Sec. 79. NRS 534.125 is hereby amended to read as follows:

534.125 If the State Engineer issues a ~~temporary~~ *revocable* permit pursuant to NRS 534.120 or if a well for domestic use is drilled in an area in which the State Engineer has issued such a ~~temporary~~ *revocable* permit, the State Engineer shall file a notice with the county recorder of the county in which the permit is issued or the well is drilled. The notice must include a statement indicating that, if and when

1 water can be furnished by an entity such as a water district or a municipality
2 engaged in furnishing water to the inhabitants of the designated area:

3 1. A ~~temporary~~ *revocable* permit may be revoked;

4 2. The owner of a domestic well may be prohibited from deepening or
5 repairing the well; and

6 3. The owner of the property served by the well may be required to connect to
7 this water source at his or her own expense.

8 **Sec. 80.** NRS 534.130 is hereby amended to read as follows:

9 534.130 The State Engineer, or the assistants or authorized agents of the State
10 Engineer, ~~and the Artesian Well Supervisor, or the assistants of the Artesian Well~~
11 ~~Supervisor, shall have the right to~~ *may* enter the ~~premises~~ *land* of any owner or
12 proprietor where any well mentioned in this chapter is situated *or where water is*
13 *being used* at any reasonable hour of the day for the purpose of investigating and
14 carrying out ~~their~~ *the* duties ~~in the administration~~ *of the State Engineer*
15 *pursuant to* this chapter.

16 **Sec. 81.** NRS 534.140 is hereby amended to read as follows:

17 534.140 1. Every well driller, before engaging in the physical drilling of a
18 well in this State for development of water, must annually apply to the State
19 Engineer for a license to drill.

20 2. The applications for those licenses and all licenses issued for the drilling of
21 wells must be in the form prescribed by the State Engineer.

22 3. All well-drilling licenses expire on June 30 following their issuance and are
23 not transferable.

24 4. A fee of ~~\$100~~ *\$120* must accompany each application for a license and a
25 fee of ~~\$50~~ *\$60* must be paid each year for renewal of the license.

26 5. Those license fees must be accounted for in the State Engineer's Water
27 License Account and used to pay costs pertaining to licensing, the adoption and
28 enforcement of regulations for well drilling and the compensation of the members
29 of the Well Drillers' Advisory Board and their expenses.

30 6. The State Engineer, after consulting with the Well Drillers' Advisory
31 Board, shall adopt regulations relating to continuing education for well drillers.

32 7. The State Engineer shall prepare and keep on file in the Office of the State
33 Engineer regulations for well drilling.

34 8. Before engaging in the physical drilling of a well in this State for the
35 development of water, every well driller who is the owner of a well-drilling rig, or
36 who has a well-drilling rig under lease or rental, or who has a contract to purchase a
37 well-drilling rig, must obtain a license as a well driller from the State Contractors'
38 Board.

39 **Sec. 82.** NRS 534.180 is hereby amended to read as follows:

40 534.180 1. Except as otherwise provided in subsection 2 and as to the
41 furnishing of any information required by the State Engineer, this chapter does not
42 apply in the matter of obtaining permits for the development and use of
43 underground water from a well for domestic purposes where the draught does not
44 exceed 2 acre-feet per year.

45 2. The State Engineer may designate any groundwater basin or portion thereof
46 as a basin in which the registration of a well is required if the well is drilled for the
47 development and use of underground water for domestic purposes. A driller who
48 drills such a well shall register the information required by the State Engineer
49 within 10 days after the completion of the well. The State Engineer shall make
50 available forms for the registration of such wells and shall maintain a register of
51 those wells.

3. The State Engineer may require the plugging of ~~such~~ a domestic well ~~which is drilled on or after July 1, 1981,~~ at any time not sooner than 1 year after water can be furnished to the site by:

(a) A political subdivision of this State; or
(b) A public utility whose rates and service are regulated by the Public Utilities Commission of Nevada. ~~;~~

~~but only if the charge for making the connection to the service is less than \$200.~~

4. If the development and use of underground water from a well for an accessory dwelling unit of a single-family dwelling, as defined in an applicable local ordinance, qualifies as a domestic use or domestic purpose:

(a) The owner of the well shall:
(1) Obtain approval for that use or purpose from the local governing body or planning commission in whose jurisdiction the well is located;

(2) Install a water meter capable of measuring the total withdrawal of water from the well; and

(3) Ensure the total withdrawal of water from the well does not exceed 2 acre-feet per year;

(b) The local governing body or planning commission shall report the approval of the accessory dwelling unit on a form provided by the State Engineer;

(c) The State Engineer shall monitor the annual withdrawal of water from the well; and

(d) The date of priority for the use of the domestic well to supply water to the accessory dwelling unit is the date of approval of the accessory dwelling unit by the local governing body or planning commission.

Sec. 83. ~~NRS 534.193 is hereby amended to read as follows:~~

~~534.193 1. Except as otherwise provided in NRS 534.280, 534.310 and 534.330 and in addition to any other penalty provided by law, the State Engineer may, after notice and opportunity for a hearing, require a person who violates any provision of this chapter or any permit, order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120 to:~~

~~(a) Pay an administrative fine not to exceed \$10,000 per day for each violation as determined by the State Engineer.~~

~~(b) In the case of [an unlawful waste of water in violation of NRS 534.070 or] any [other] violation of this chapter that, as determined by the State Engineer, results in an unlawful use, waste or diversion of water, replace not more than 200 percent of the water used, wasted or diverted.~~

~~2. In determining violations of this chapter relating to the unauthorized use of water yielded from a well that is used pursuant to a permit issued by the State Engineer and that has 16 or fewer connections, the State Engineer has the burden of proving which user is withdrawing water in excess of the portion of water allotted to the connection of that user. The State Engineer may require any or all users of the well to install and maintain, at their own expense, a meter that measures the amount of water withdrawn from the well by each connection.~~

~~3. If an administrative fine is imposed against a person pursuant to subsection 1 or the person is ordered to replace any water pursuant to that subsection, the State Engineer may require the person to pay the costs of the proceeding, including investigative costs and attorney's fees.~~

~~4. An order imposing an administrative fine or requiring the replacement of water or payment of costs or fees pursuant to this section may be reviewed by a district court pursuant to NRS 533.450.] (Deleted by amendment.)~~

Sec. 84. ~~NRS 536.115 is hereby amended to read as follows:~~

~~536.115 1. In a county whose population is less than 100,000, the State Engineer shall, upon request of the owner of a ditch or a local governmental entity~~

1 in whose jurisdiction a ditch is located, investigate a complaint involving a possible
2 violation of the provisions of NRS 536.120 which involves the ditch if the ditch is
3 located.

4 ~~— (a) Within the boundaries of an adjudicated [stream system] source of surface~~
5 ~~water or groundwater for which the State Engineer has appointed an engineer to~~
6 ~~work in a supervisory capacity pursuant to NRS 533.275; and~~

7 ~~— (b) Outside the boundaries of an irrigation district organized pursuant to~~
8 ~~chapter 539 of NRS.~~

9 ~~2. For any complaint investigated pursuant to subsection 1, the State Engineer~~
10 ~~shall:~~

11 ~~— (a) Prepare a report concerning the investigation, including, without limitation,~~
12 ~~the condition of the ditch; and~~

13 ~~— (b) Make the report available to the person or local governmental entity that~~
14 ~~requested the investigation.~~

15 ~~3. A person or local governmental entity that obtains a report pursuant to~~
16 ~~subsection 2 may submit a copy of the report with any report of a violation of the~~
17 ~~provisions of NRS 536.120 that is reported to a law enforcement agency.~~

18 ~~4. As used in this section, "source of surface water or groundwater" has the~~
19 ~~meaning ascribed to it in section 3 of this act.~~ **(Deleted by amendment.)**

20 **Sec. 85.** NRS 538.171 is hereby amended to read as follows:

21 538.171 1. The Commission shall receive, protect and safeguard and hold in
22 trust for the State of Nevada all water and water rights, and all other rights, interests
23 or benefits in and to the waters described in NRS 538.041 to 538.251, inclusive,
24 and to the power generated thereon, held by or which may accrue to the State of
25 Nevada under and by virtue of any Act of the Congress of the United States or any
26 agreements, compacts or treaties to which the State of Nevada may become a party,
27 or otherwise.

28 2. Except as otherwise provided in this subsection, applications for the
29 original appropriation of such waters, or to change the ~~place~~ **point** of diversion,
30 manner of use or place of use of water covered by the original appropriation, must
31 be made to the Commission in accordance with the regulations of the Commission.
32 In considering such an application, the Commission shall use the criteria set forth in
33 subsection 3 of NRS 533.370. The Commission's action on the application
34 constitutes the recommendation of the State of Nevada to the United States for the
35 purposes of any federal action on the matter required by law. The provisions of this
36 subsection do not apply to supplemental water.

37 3. The Commission shall furnish to the State Engineer a copy of all
38 agreements entered into by the Commission concerning the original appropriation
39 and use of such waters. It shall also furnish to the State Engineer any other
40 information it possesses relating to the use of water from the Colorado River which
41 the State Engineer deems necessary to allow the State Engineer to act on
42 applications for permits for the subsequent appropriation of these waters after they
43 fall within the State Engineer's jurisdiction.

44 4. Notwithstanding any provision of chapter 533 of NRS, any original
45 appropriation and use of the waters described in subsection 1 by the Commission or
46 by any entity to whom or with whom the Commission has contracted the water is
47 not subject to regulation by the State Engineer.

48 5. Any use of water from the Muddy River or the Virgin River for the
49 creation of any developed shortage supply or intentionally created surplus does not
50 require the submission of an application to the State Engineer to change the ~~place~~
51 **point** of diversion, manner of use or place of use. As used in this subsection:

52 (a) "Developed shortage supply" has the meaning ascribed to it in NRS
53 533.030.

(b) "Intentionally created surplus" has the meaning ascribed to it in NRS 533.030.

Sec. 86. Chapter 540 of NRS is hereby amended by adding thereto the provisions set forth as sections 87 and 88 of this act.

Sec. 87. 1. *In addition to any other penalty provided by law, the State Engineer may, after notice and opportunity for a hearing, require a person who violates any provision of this chapter or any order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120 to pay an administrative fine not to exceed \$10,000 per day for each violation as determined by the State Engineer.*

2. If an administrative fine is imposed against a person pursuant to subsection 1, the State Engineer may require the person to pay the costs of the proceeding, including investigative costs and attorney's fees.

3. An order imposing an administrative fine or payment of costs pursuant to this section may be reviewed by a district court pursuant to NRS 533.450.

Sec. 88. 1. *The State Engineer may seek injunctive relief in any court of competent jurisdiction to prevent the continuance or occurrence of any act or practice which violates any provision of this chapter, or any order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120.*

2. On a showing by the State Engineer that a person is engaged, or is about to engage, in any act or practice which violates or will violate any provision of this chapter, or any order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120, the court may issue, without a bond, any prohibitory or mandatory injunction that the facts may warrant, including a temporary restraining order issued ex parte or, after notice and hearing, a preliminary or permanent injunction.

3. The failure to establish the lack of an adequate remedy at law or irreparable harm is not a ground for denying a request for a temporary restraining order or injunction.

4. The court may require the posting of a sufficient performance bond or other security to ensure compliance with the court order within the period prescribed.

5. Any proceeding conducted or injunction or order issued pursuant to this section is in addition to, and not in lieu of, any other penalty or remedy available for a violation of this chapter.

Sec. 89. NRS 540.141 is hereby amended to read as follows:

540.141 1. A plan or joint plan of water conservation submitted to the Section for review must include provisions relating to:

(a) Methods of public education to:

(1) Increase public awareness of the limited supply of water in this State and the need to conserve water.

(2) Encourage reduction in the size of lawns and encourage the use of plants that are adapted to arid and semiarid climates.

(b) Specific conservation measures required to meet the needs of the service area, including, but not limited to, any conservation measures required by law.

(c) The management of water to:

(1) Identify and reduce leakage in water supplies, inaccuracies in water meters and high pressure in water supplies; and

(2) Where applicable, increase the reuse of effluent.

(d) A contingency plan for drought conditions that ensures a supply of potable water.

(e) A schedule for carrying out the plan or joint plan.

~~(f)~~ 2. *In addition to the requirements of subsection 1, a plan or joint plan of water conservation submitted by a supplier of water providing service for 500 or more connections must include provisions relating to*

~~(a) Measures~~ *measures* to evaluate the effectiveness of the plan or joint plan.

~~(g) (b) For each conservation measure specified in the plan or joint plan, an estimate of the amount of water that will be conserved each year as a result of the adoption of the plan or joint plan, stated in terms of gallons of water per person per day.~~

~~(2)~~ 3. A plan or joint plan submitted for review must be accompanied by an analysis of:

(a) The feasibility of charging variable rates for the use of water to encourage the conservation of water.

(b) How the rates that are proposed to be charged for the use of water in the plan or joint plan will maximize water conservation, including, without limitation, an estimate of the manner in which the rates will affect consumption of water.

~~(3)~~ 4. The Section shall review any plan or joint plan submitted to it within 30 days after its submission and approve the plan if it is based on the climate and living conditions of the service area and complies with the requirements of this section.

~~(4)~~ 5. The Chief may exempt wholesale water purveyors from the provisions of this section which do not reasonably apply to wholesale supply.

~~(5)~~ 6. To the extent practicable, the State Engineer shall provide on the Internet website of the State Engineer a link to the plans and joint plans that are submitted for review. In carrying out the provisions of this subsection, the State Engineer is not responsible for ensuring, and is not liable for failing to ensure, that the plans and joint plans which are provided on the Internet website are accurate and current.

Sec. 90. NRS 111.167 is hereby amended to read as follows:

111.167 Unless the deed conveying land specifically provides otherwise, all:

1. Applications and permits to appropriate any of the public waters;
2. Certificates of appropriation;
3. Adjudicated or unadjudicated water rights; and
4. Applications or permits to change the ~~place~~ *point* of diversion, manner of use or place of use of water,

which are appurtenant to the land are presumed to be conveyed with the land.

Sec. 91. NRS 533.100, 533.105, 533.110, 533.120, 533.155, 533.250, 533.260, 533.265 and 534.070 are hereby repealed.

Sec. 92. This act becomes effective on July 1, 2015.

LEADLINES OF REPEALED SECTIONS

533.100 Investigation of flow of stream and ditches by State Engineer; preparation of surveys and maps.

533.105 Use of data compiled by United States Geological Survey or other persons; remission of proportionate cost of preparation.

533.110 Notice of commencement of taking of proofs as to rights; time for filing; publication and mailing of notice.

533.120 Statements to be certified under oath; no fee for administering or furnishing blank form.

533.155 Daily deposit by each party.

533.250 Admissibility of maps, plats, surveys and evidence on file in office of State Engineer; notice by State Engineer of intention to consider evidence and submission of findings to court.

533.260 Regulations of State Engineer requiring blueprints from claimants to be attached to proofs.

533.265 State Engineer to issue certificates upon final determination of relative rights; contents of certificates; exceptions.

534.070 Waste of water from artesian well unlawful.