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FIRST REPRINT

S.B. 250

SENATE BILL NO. 250—SENATORS SETTELMAYER, GOICOECHEA,
HARDY; HANSEN AND SEEVERS GANSERT

MARCH 5, 2019

Referred to Committee on Natural Resources

SUMMARY—Revises provisions relating to the dedication of water rights. (BDR 48-664)

FISCAL NOTE: Effect on Local Government: No.
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 water; establishing certain requirements relating to the dedication of certain rights to appropriate water; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the State Engineer to require the dedication of a right to appropriate water in certain circumstances before approving a parcel map. (NRS 534.120) Existing law also authorizes the governing body of a county or city to adopt ordinances to regulate land, which may include an ordinance that requires the dedication of a right to appropriate water before approving the development, division or subdivision of a parcel of land. (NRS 278.020) **Sections 1 and 3** of this bill provide that before a supplier of water may require the dedication of a right to appropriate water in order to ensure a sufficient supply of water to certain parcels, the dedication requirement must be: (1) required pursuant to an ordinance, published rule or regulation adopted by the supplier of water; and (2) based on certain information and considerations. **Sections 1 and 3** prohibit, with limited exception, a supplier of water from selling a right to appropriate water that has been dedicated pursuant to an ordinance, published rule or regulation adopted by the supplier of water.



* S B 2 5 0 R 1 *

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 a new section to read as follows:

1. Before a supplier of water may require the dedication of a right to appropriate water in order to ensure a sufficient supply of water to provide new or modified water service to one or more parcels, the dedication requirement must:

(a) Be required pursuant to an ordinance, published rule or regulation adopted by the supplier of water;

(b) Be based on reliable data and procedures estimating demand;

(c) Consider any requirements for a sustainable water supply; and

(d) Consider historic usage by similar existing water services.

2. Except as otherwise provided in this subsection, a supplier of water may not sell a right to appropriate water that has been dedicated pursuant to subsection 1. This subsection does not apply to:

(a) Mergers and acquisitions of a water system owned or operated by a utility; or

(b) Transactions by the supplier of water in furtherance of developing or maintaining a sustainable water supply.

3. As used in this section, "supplier of water" has the meaning ascribed to it in NRS 540.121.

Sec. 2. (Deleted by amendment.)

Sec. 3. Chapter 278 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Before a supplier of water may require the dedication of a right to appropriate water in order to ensure a sufficient supply of water to provide new or modified water service to one or more parcels that will be developed, divided or subdivided pursuant to the provisions of this section and NRS 278.010 to 278.630, inclusive, the dedication requirement must:

(a) Be required pursuant to an ordinance, published rule or regulation adopted by the supplier of water;

(b) Be based on reliable data and procedures estimating demand;

(c) Consider any requirements for a sustainable water supply; and

(d) Consider historic usage by similar existing water services.

2. A supplier of water may not sell a right to appropriate water that has been dedicated pursuant to subsection 1. This subsection does not apply to:



1 (a) *Mergers and acquisitions of a water system owned or*
2 *operated by a utility; or*

3 (b) *Transactions by the supplier of water in furtherance of*
4 *developing or maintaining a sustainable water supply.*

5 3. *As used in this section, "supplier of water" has the*
6 *meaning ascribed to it in NRS 540.121.*

7 **Sec. 4.** NRS 278.010 is hereby amended to read as follows:

8 278.010 As used in NRS 278.010 to 278.630, inclusive, *and*
9 *section 3 of this act*, unless the context otherwise requires, the
10 words and terms defined in NRS 278.0103 to 278.0195, inclusive,
11 have the meanings ascribed to them in those sections.

12 **Sec. 5.** (Deleted by amendment.)

13 **Sec. 6.** This act becomes effective upon passage and approval.

