

Amendment No. 79

Senate Amendment to Senate Bill No. 176	(BDR 48-79)
Proposed by: Senate Committee on Natural Resources	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

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.

SMH/ERS



Date: 4/12/2023

S.B. No. 176—Establishes provisions relating to the conservation of groundwater.
(BDR 48-79)



SENATE BILL NO. 176—SENATOR GOICOECHEA

FEBRUARY 20, 2023

Referred to Committee on Natural Resources

SUMMARY—Establishes provisions relating to the conservation of groundwater.
(BDR 48-79)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Contains Appropriation not included in
Executive Budget.

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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; creating the Account for Purchasing and Retiring Water Rights; establishing the ~~{Purchasing and Retiring}~~ Nevada Water {Rights Program,} Buy-Back Initiative and the Advisory Committee for the Nevada Water Buy-Back Initiative; requiring the ~~{State Engineer,} Director of the State Department of Conservation and Natural Resources~~ to purchase ~~{and retire}~~ certain water rights with money from the Account ~~{, authorizing the State Engineer to use money in a basin well account for the purchase of water rights under certain circumstances,}~~ for purposes of retiring the water rights; creating the Nevada Conservation and Recreation Program; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, any person who wishes to appropriate public waters, or to change the place of diversion, manner of use or place of use of water already appropriated, must apply to the State Engineer for a permit to do so. (NRS 533.325) Existing law further provides that all underground waters within the boundaries of the State are subject to appropriation for beneficial use only under the laws of this State relating to the appropriation and use of water. (NRS 534.020) **Section 5** of this bill creates the Account for Purchasing and Retiring Water Rights, to be administered by the ~~{State Engineer,} Director of the State Department of Conservation and Natural Resources~~, and requires that the money in the Account only be expended for the purchase of water rights in groundwater basins that are over appropriated. **Section 6** of this bill establishes the ~~{Purchasing and Retiring} Nevada Water {Rights Program,} Buy-Back Initiative in the Nevada Conservation and Recreation Program,~~ to be administered by the ~~{State Engineer,} Director,~~ and establishes requirements for the purchase and retirement of water rights. ~~{by the State Engineer,}~~

Section 6.4 of this bill requires the State Engineer to retire water rights purchased by the Nevada Water Buy-Back Initiative.

Section 6.2 of this bill establishes the Advisory Committee for the Nevada Water Buy-Back Initiative within the Department and requires the Advisory Committee to consult with the Director regarding the provisions of sections 4.5-6.6 of this bill.

19 Section 6.6 requires the Director to adopt regulations necessary
20 to carry out the Purchasing and Retiring Water Rights Program. Section 8 of this bill makes a
21 conforming change to require that such regulations be adopted in accordance with the
22 requirements of the Nevada Administrative Procedures Act.

23 Under existing law, a board of county commissioners may levy certain special
24 assessments for certain expenses relating to the groundwater basin which must be deposited in
25 the State Treasury for credit to the basin well account for that groundwater basin. (NRS
26 534.040) Section 7 of this bill provides that, upon the approval of the board of county
27 commissioners, the State Engineer may use the money in the basin well account to purchase
28 and retire water rights in that particular groundwater basin.] provisions of sections 4.5-6.6.
29 Section 9.5 of this bill requires the Director to adopt such regulations by July 1, 2025.
30 Section 4.5 of this bill defines certain terms relating to the provisions of sections 4.5-6.6.

31 Sections 1-3 of this bill prohibit the appropriation of water that has been [withdrawn]
32 retired pursuant to the [Purchasing and Retiring] Nevada Water [Rights Program.] Buy-Back
33 Initiative.

34 Existing law requires the Department to make grants to state agencies, local
35 governments, water conservancy districts, conservation districts and certain nonprofit
36 organizations to protect, preserve and obtain the benefits of the property and natural
37 and cultural resources of this State and requires the Director to adopt regulations to
38 make such grants. (Section 2 of chapter 480, Statutes of Nevada 2019, at page 2861)
39 Existing regulations create the Nevada Conservation and Recreation Program to make
40 such grants. (LCB File No. R025-22) Section 8.2 of this bill creates the Program in
41 statute. Section 8.2 further provides that the Program consists of a grant program to
42 make such grants and the Nevada Water Buy-Back Initiative. Section 8.6 of this bill
43 provides that the Program and the Advisory Committee are within the Department.
44 Section 8.4 of this bill makes a conforming change to indicate the proper placement of
45 section 8.2 in the Nevada Revised Statutes.

46 Section 9 of this bill makes an appropriation to the Account for Purchasing and Retiring
47 Water Rights [.] for the costs incurred by the Director and the Nevada Conservation and
48 Recreation Program in administering the Nevada Water Buy-Back Initiative and for the
49 purchase of water rights.

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

1 **Section 1.** NRS 533.030 is hereby amended to read as follows:

2 533.030 1. Subject to existing rights, and except as otherwise provided in
3 this section and NRS 533.0241, 533.027 and 533.028, and section 6 of this act, all
4 water may be appropriated for beneficial use as provided in this chapter and not
5 otherwise.

6 2. The use of water, from any stream system as provided in this chapter and
7 from underground water as provided in NRS 534.080, for any recreational purpose,
8 or the use of water from the Muddy River or the Virgin River to create any
9 developed shortage supply or intentionally created surplus, is hereby declared to be
10 a beneficial use. As used in this subsection:

11 (a) "Developed shortage supply" has the meaning ascribed to it in Volume 73
12 of the Federal Register at page 19884, April 11, 2008, and any subsequent
13 amendment thereto.

14 (b) "Intentionally created surplus" has the meaning ascribed to it in Volume 73
15 of the Federal Register at page 19884, April 11, 2008, and any subsequent
16 amendment thereto.

17 3. Except as otherwise provided in subsection 4, in any county whose
18 population is 700,000 or more:

1 (a) The board of county commissioners may prohibit or restrict by ordinance
2 the use of water and effluent for recreational purposes in any artificially created
3 lake or stream located within the unincorporated areas of the county.

4 (b) The governing body of a city may prohibit or restrict by ordinance the use
5 of water and effluent for recreational purposes in any artificially created lake or
6 stream located within the boundaries of the city.

7 4. In any county whose population is 700,000 or more, the provisions of
8 subsection 1 and of any ordinance adopted pursuant to subsection 3 do not apply to:

9 (a) Water stored in an artificially created reservoir for use in flood control, in
10 meeting peak water demands or for purposes relating to the treatment of sewage;

11 (b) Water used in a mining reclamation project; or

12 (c) A body of water located in a recreational facility that is open to the public
13 and owned or operated by the United States or the State of Nevada.

14 **Sec. 2.** NRS 533.370 is hereby amended to read as follows:

15 533.370 1. Except as otherwise provided in this section and NRS 533.0241,
16 533.345, 533.371, 533.372 and 533.503, *and section 6 of this act*, the State
17 Engineer shall approve an application submitted in proper form which contemplates
18 the application of water to beneficial use if:

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

20 (b) The proposed use or change, if within an irrigation district, does not
21 adversely affect the cost of water for other holders of water rights in the district or
22 lessen the efficiency of the district in its delivery or use of water; and

23 (c) The applicant provides proof satisfactory to the State Engineer of the
24 applicant's:

25 (1) Intention in good faith to construct any work necessary to apply the
26 water to the intended beneficial use with reasonable diligence; and

27 (2) Financial ability and reasonable expectation actually to construct the
28 work and apply the water to the intended beneficial use with reasonable diligence.

29 2. Except as otherwise provided in subsection 10, ~~[where there]~~ *the State*
30 *Engineer shall reject an application and refuse to issue the requested permit if:*

31 (a) *There* is no unappropriated water in the proposed source of supply ~~[, where~~
32 ~~the]~~;

33 (b) *The* groundwater that has not been committed for use has been reserved
34 pursuant to NRS 533.0241 ;

35 (c) *The groundwater has been [withdrawn] retired pursuant to section 6 of*
36 *this act*; or ~~[where its]~~

37 (d) *The* proposed use or change conflicts with existing rights or with
38 protectable interests in existing domestic wells as set forth in NRS 533.024, or
39 threatens to prove detrimental to the public interest . ~~[, the State Engineer shall~~
40 ~~reject the application and refuse to issue the requested permit.]~~

41 ↪ If a previous application for a similar use of water within the same basin has
42 been rejected on those grounds, the new application may be denied without
43 publication.

44 3. In addition to the criteria set forth in subsections 1 and 2, in determining
45 whether an application for an interbasin transfer of groundwater must be rejected
46 pursuant to this section, the State Engineer shall consider:

47 (a) Whether the applicant has justified the need to import the water from
48 another basin;

49 (b) If the State Engineer determines that a plan for conservation of water is
50 advisable for the basin into which the water is to be imported, whether the applicant
51 has demonstrated that such a plan has been adopted and is being effectively carried
52 out;

1 (c) Whether the proposed action is environmentally sound as it relates to the
2 basin from which the water is exported;

3 (d) Whether the proposed action is an appropriate long-term use which will not
4 unduly limit the future growth and development in the basin from which the water
5 is exported; and

6 (e) Any other factor the State Engineer determines to be relevant.

7 4. Except as otherwise provided in this subsection and subsections 6 and 10
8 and NRS 533.365, the State Engineer shall approve or reject each application
9 within 2 years after the final date for filing a protest. The State Engineer may
10 postpone action:

11 (a) Upon written authorization to do so by the applicant.

12 (b) If an application is protested.

13 (c) If the purpose for which the application was made is municipal use.

14 (d) In areas where studies of water supplies have been determined to be
15 necessary by the State Engineer pursuant to NRS 533.368.

16 (e) Where court actions or adjudications are pending, which may affect the
17 outcome of the application.

18 (f) In areas in which adjudication of vested water rights is deemed necessary
19 by the State Engineer.

20 (g) On an application for a permit to change a vested water right in a basin
21 where vested water rights have not been adjudicated.

22 (h) Where authorized entry to any land needed to use the water for which the
23 application is submitted is required from a governmental agency.

24 (i) On an application for which the State Engineer has required additional
25 information pursuant to NRS 533.375.

26 5. If the State Engineer does not act upon an application in accordance with
27 subsections 4 and 6, the application remains active until approved or rejected by the
28 State Engineer.

29 6. Except as otherwise provided in this subsection and subsection 10, the
30 State Engineer shall approve or reject, within 6 months after the final date for filing
31 a protest, an application filed to change the point of diversion of water already
32 appropriated when the existing and proposed points of diversion are on the same
33 property for which the water has already been appropriated under the existing water
34 right or the proposed point of diversion is on real property that is proven to be
35 owned by the applicant and is contiguous to the place of use of the existing water
36 right. The State Engineer may postpone action on the application pursuant to
37 subsection 4.

38 7. If the State Engineer has not approved, rejected or held a hearing on an
39 application within 7 years after the final date for filing a protest, the State Engineer
40 shall cause notice of the application to be republished pursuant to NRS 533.360
41 immediately preceding the time at which the State Engineer is ready to approve or
42 reject the application. The cost of the republication must be paid by the applicant.
43 After such republication, a protest may be filed in accordance with NRS 533.365.

44 8. If a hearing is held regarding an application, the decision of the State
45 Engineer must be in writing and include findings of fact, conclusions of law and a
46 statement of the underlying facts supporting the findings of fact. The written
47 decision may take the form of a transcription of an oral ruling. The rejection or
48 approval of an application must be endorsed on a copy of the original application,
49 and a record must be made of the endorsement in the records of the State Engineer.
50 The copy of the application so endorsed must be returned to the applicant. Except
51 as otherwise provided in subsection 11, if the application is approved, the applicant
52 may, on receipt thereof, proceed with the construction of the necessary works and
53 take all steps required to apply the water to beneficial use and to perfect the

proposed appropriation. If the application is rejected, the applicant may take no steps toward the prosecution of the proposed work or the diversion and use of the public water while the rejection continues in force.

9. If a person is the successor in interest of an owner of a water right or an owner of real property upon which a domestic well is located and if the former owner of the water right or real property on which a domestic well is located had previously filed a written protest against the granting of an application, the successor in interest must be allowed to pursue that protest in the same manner as if the successor in interest were the former owner whose interest he or she succeeded. If the successor in interest wishes to pursue the protest, the successor in interest must notify the State Engineer in a timely manner on a form provided by the State Engineer.

10. The provisions of subsections 1 to 9, inclusive, do not apply to an application for an environmental permit or a temporary permit issued pursuant to NRS 533.436 or 533.504.

11. The provisions of subsection 8 do not authorize the recipient of an approved application to use any state land administered by the Division of State Lands of the State Department of Conservation and Natural Resources without the appropriate authorization for that use from the State Land Registrar.

12. As used in this section, "domestic well" has the meaning ascribed to it in NRS 534.350.

Sec. 3. NRS 533.371 is hereby amended to read as follows:

533.371 The State Engineer shall reject the application and refuse to issue a permit to appropriate water for a specified period if the State Engineer determines that:

1. The application is incomplete;
2. The prescribed fees have not been paid;
3. The proposed use is not temporary;
4. There is no water available from the proposed source of supply without exceeding the perennial yield or safe yield of that source;
5. The groundwater that has not been committed for use from the proposed source of supply has been reserved pursuant to NRS 533.0241;

6. *The groundwater has been ~~withdrawn~~ retired pursuant to section 6 of this act;*

7. The proposed use conflicts with existing rights; or

~~7-8.~~ 8. The proposed use threatens to prove detrimental to the public interest.

Sec. 4. Chapter 534 of NRS is hereby amended by adding thereto the provisions set forth as sections ~~[5 and 6]~~ 4.5 to 6.6, inclusive, of this act.

Sec. 4.5. As used in sections 4.5 to 6.6, inclusive, of this act, unless the context otherwise requires:

1. "Department" means the State Department of Conservation and Natural Resources.

2. "Director" means the Director of the Department.

3. "Nevada Conservation and Recreation Program" or "Program" means the Nevada Conservation and Recreation Program created by section 8.2 of this act.

Sec. 5. 1. The Account for Purchasing and Retiring Water Rights is hereby created in the State General Fund.

2. The Account for Purchasing and Retiring Water Rights must be administered by the ~~(State Engineer, who)~~ Director in accordance with the Nevada Water Buy-Back Initiative established by section 6 of this act. In addition to any direct legislative appropriation, the Director may apply for and accept any

1 gift, donation, bequest, grant, federal money or other source of money for
2 deposit in the Account for Purchasing and Retiring Water Rights.

3 3. The money in the Account for Purchasing and Retiring Water Rights
4 must only be used for administering the Nevada Water Buy-Back Initiative
5 established by section 6 of this act, to purchase water rights pursuant to section 6
6 of this act ~~and~~ and to provide matching money required as a condition of accepting
7 any source of money that would result in the retirement of water rights pursuant
8 to sections 6 and 6.4 of this act.

9 4. The money in the Account for Purchasing and Retiring Water Rights or
10 any portion of the money in the Account for Purchasing and Retiring Water
11 Rights may be invested or reinvested in accordance with the provisions of chapter
12 355 of NRS. The proceeds of such investments and the interest and income
13 earned on the money in the Account for Purchasing and Retiring Water Rights,
14 after deducting any applicable charges, must be credited to the Account for
15 Purchasing and Retiring Water Rights.

16 5. Any money remaining in the Account for Purchasing and Retiring Water
17 Rights at the end of a fiscal year does not revert to the State General Fund, and
18 the balance in the Account for Purchasing and Retiring Water Rights must be
19 carried forward to the next fiscal year.

20 6. The Director may enter into an agreement with a public or private entity
21 to apply for, obtain or manage any money contributed to the Account for
22 Purchasing and Retiring Water Rights.

23 7. The ~~[State Engineer]~~ Director may request an allocation by the Interim
24 Finance Committee from the Contingency Account pursuant to NRS 353.266,
25 353.268 and 353.269 if the balance in the Account for Purchasing and Retiring
26 Water Rights:

27 (a) Is less than \$250,000; or

28 (b) Is not sufficient to purchase water rights pursuant to section 6 of this act.

29 Sec. 6. 1. The ~~[Purchasing and Retiring]~~ Nevada Water ~~[Rights Program]~~
30 Buy-Back Initiative is hereby established in the Nevada Conservation and
31 Recreation Program for the purpose of purchasing and retiring water rights in
32 groundwater basins where there is an insufficient supply of water available to
33 serve all vested rights, claims of vested rights, permits, certificates, protectable
34 interests in domestic wells in the basin and to address and avoid conflicts with
35 existing rights or detriments to the public interest, including, without limitation,
36 detriments to the ~~[environmental]~~ natural resources of this State.

37 2. The ~~[Program]~~ Initiative must be administered by the ~~[State Engineer]~~
38 Director. In administering the ~~[Program]~~ Initiative, the ~~[State Engineer]~~
39 Director shall, to the extent money is available in the Account for Purchasing
40 and Retiring Water Rights created by section 5 of this act, purchase and retire
41 water rights from persons willing to sell according to the following order of
42 priority:

43 (a) Groundwater basins where groundwater withdrawals ~~[have consistently~~
44 ~~exceeded]~~ currently exceed the available supply of water as a result of the
45 consistent use of certificated or permitted rights to appropriate water and to
46 address conflicts with existing rights ~~and~~ or detriments to the natural resources of
47 this State.

48 (b) Any other groundwater basins where:

49 (1) ~~[Certified]~~ Certificated or permitted rights to appropriate water
50 would, if withdrawn, ~~[consistently]~~ exceed the available supply of water; and

51 (2) The State Engineer determines retirement of water rights is necessary
52 to address or avoid conflicts with existing rights or detriments to the public

1 *interest, including, without limitation, detriments to the ~~environmental~~ natural*
2 *resources of this State.*

3 ~~3. The State Engineer shall retire all water rights purchased pursuant to~~
4 ~~this section and withdraw that groundwater from appropriation. Groundwater~~
5 ~~that has been withdrawn pursuant to this section is not available for any use.~~

6 ~~4. Before purchasing and retiring a water right pursuant to this section, the~~
7 ~~State Engineer shall consult with the board of commissioners of the groundwater~~
8 ~~basin in which the water right is located and the groundwater board, if such a~~
9 ~~groundwater board has been established pursuant to NRS 524.035, to attempt to~~
10 ~~address any issues relating to the purchase and retirement of the water right in~~
11 ~~the groundwater basin.~~

12 ~~5. The State Engineer shall adopt such regulations as are necessary to carry~~
13 ~~out the provisions of this section. Such regulations must be adopted in~~
14 ~~accordance with the provisions of chapter 233B of NRS and must include,~~
15 ~~without limitation, procedures that will be used by the State Engineer to~~
16 ~~determine the amount the State Engineer will pay for a water right.]~~ *When*
17 *sufficient money is available in the Account for Purchasing and Retiring Water*
18 *Rights, the Director may accept applications for the purchase and retirement of*
19 *water rights in accordance with any regulations adopted by the Director pursuant*
20 *to section 6.6 of this act.*

21 *Sec. 6.2. 1. The Advisory Committee for the Nevada Water Buy-Back*
22 *Initiative established by section 6 of this act is hereby established within the*
23 *Department. The Advisory Committee consists of:*

24 *(a) The following voting members appointed by the Director:*

25 *(1) One member who represents a nonprofit conservation organization;*

26 *(2) One member who represents a political subdivision of the State of*
27 *Nevada that manages a regional water system in a county whose population is*
28 *100,000 or more;*

29 *(3) One member who represents a water authority in a county whose*
30 *population is less than 100,000;*

31 *(4) One member who represents agricultural interests; and*

32 *(5) One member who represents natural resources interests; and*

33 *(b) The following ex officio nonvoting members:*

34 *(1) The State Engineer or his or her designee; and*

35 *(2) The State Land Registrar or his or her designee.*

36 *2. The Advisory Committee shall consult with the Director on:*

37 *(a) The adoption of regulations required pursuant to section 6.6 of this act;*
38 *and*

39 *(b) The administration of the Nevada Water Buy-Back Initiative established*
40 *by section 6 of this act.*

41 *3. While engaged in the business of the Advisory Committee, each voting*
42 *member of the Advisory Committee is entitled to receive a salary of not more than*
43 *\$80 per day, as established by the Department, and the per diem allowance and*
44 *travel expenses provided for state officers and employees generally.*

45 *Sec. 6.4. The State Engineer shall retire all water rights purchased*
46 *pursuant to section 6 of this act through revocation or relinquishment of the*
47 *water right or by using any other appropriate mechanism, as determined by the*
48 *State Engineer, and preclude that groundwater from appropriation. Groundwater*
49 *that has been retired pursuant to this section is not available for any use.*

50 *Sec. 6.6. 1. The Director shall adopt such regulations as are necessary to*
51 *carry out the provisions of sections 4.5 to 6.6, inclusive, of this act, which must*
52 *include, without limitation:*

(a) The process for accepting applications for the purchase and retirement of water rights pursuant to section 6 of this act;

(b) The manner in which the valuation of water rights will be conducted for the Nevada Water Buy-Back Initiative established by section 6 of this act;

(c) Provisions to ensure that the retirement of water rights is consistent with the purposes of the Nevada Water Buy-Back Initiative, including, without limitation, addressing or avoiding conflicts with existing rights or detriments to the public interest or the natural resources of this State;

(d) Provisions to ensure compliance with any requirements or conditions of any gift, donation, bequest, grant, federal money or other source of money in administering the Account for Purchasing and Retiring Water Rights created by section 5 of this act;

(e) The methods of purchasing water rights by the Nevada Water Buy-Back Initiative pursuant to section 6 of this act which must be consistent with the mechanisms by which the water right will be retired by the State Engineer in accordance with section 6.4 of this act; and

(f) The process for a groundwater board or board of county commissioners to consult and support the purchase of water rights in a basin.

2. The Director shall consult with the Advisory Committee for the Nevada Water Buy-Back Initiative established by section 6.2 of this act in adopting regulations pursuant to this section.

Sec. 7. [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. If the money available from the license fees provided for in NRS 534.140 is not sufficient to pay those salaries, together with necessary expenses, including the compensation and other expenses of the Well Drillers' Advisory Board, the board of county commissioners shall, except as otherwise provided in this subsection, 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 such salaries and expenses. If the board of county commissioners determines that the amount of a special assessment levied upon a property owner pursuant to this section when combined with the amount of all other taxes and assessments levied upon the property owner is less than the cost of collecting the special assessment levied pursuant to this subsection, the board of county commissioners may exempt the property owner from the assessment and appropriate money from the general fund of the county to pay the cost of the assessment.~~

~~3. Except as otherwise provided in subsection 2, in designated areas within which the use of groundwater is predominantly for agricultural purposes, any special assessment levied pursuant to this section 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.~~

~~4. The salaries and expenses may be paid by the State Engineer from the Water Distribution Revolving Account pending the levy and collection of an assessment levied pursuant to this section.~~

~~5. Except as otherwise provided in subsection 2, if a special assessment is levied pursuant to this section, 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.~~

~~6. Any special assessment collected pursuant to this section must be deposited with the State Treasurer for credit to the Water District Account to be accounted for in basin well accounts.~~

~~7. 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].~~

~~(a) 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 []; or~~

~~(b) Upon the approval of the board of county commissioners of the groundwater basin, purchase and retire water rights pursuant to section 6 of this act. (Deleted by amendment.)~~

Sec. 8. [NRS 233B.039 is hereby amended to read as follows:

~~233B.039 1. The following agencies are entirely exempted from the requirements of this chapter:~~

~~(a) The Governor.~~

~~(b) Except as otherwise provided in NRS 209.221 and 209.2473, the Department of Corrections.~~

~~(c) The Nevada System of Higher Education.~~

~~(d) The Office of the Military.~~

~~(e) The Nevada Gaming Control Board.~~

~~(f) Except as otherwise provided in NRS 368A.140 and 463.765, the Nevada Gaming Commission.~~

~~(g) Except as otherwise provided in NRS 425.620, the Division of Welfare and Supportive Services of the Department of Health and Human Services.~~

~~(h) Except as otherwise provided in NRS 422.390, the Division of Health Care Financing and Policy of the Department of Health and Human Services.~~

~~(i) Except as otherwise provided in NRS 533.365, and section 6 of this act, the Office of the State Engineer.~~

~~(j) The Division of Industrial Relations of the Department of Business and Industry acting to enforce the provisions of NRS 618.375.~~

~~(k) The Administrator of the Division of Industrial Relations of the Department of Business and Industry in establishing and adjusting the schedule of fees and charges for accident benefits pursuant to subsection 2 of NRS 616C.260.~~

~~(l) The Board to Review Claims in adopting resolutions to carry out its duties pursuant to NRS 445C.310.~~

~~(m) The Silver State Health Insurance Exchange.~~

~~(n) The Cannabis Compliance Board.~~

~~2. Except as otherwise provided in subsection 5 and NRS 391.323, the Department of Education, the Board of the Public Employees' Benefits Program and the Commission on Professional Standards in Education are subject to the~~

~~provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.~~

~~2. The special provisions of:~~

~~(a) Chapter 612 of NRS for the adoption of an emergency regulation or the distribution of regulations by and the judicial review of decisions of the Employment Security Division of the Department of Employment, Training and Rehabilitation;~~

~~(b) Chapters 616A to 617, inclusive, of NRS for the determination of contested claims;~~

~~(c) Chapter 91 of NRS for the judicial review of decisions of the Administrator of the Securities Division of the Office of the Secretary of State; and~~

~~(d) NRS 90.800 for the use of summary orders in contested cases;~~

~~— prevail over the general provisions of this chapter.~~

~~4. The provisions of NRS 233B.122, 233B.124, 233B.125 and 233B.126 do not apply to the Department of Health and Human Services in the adjudication of contested cases involving the issuance of letters of approval for health facilities and agencies;~~

~~5. The provisions of this chapter do not apply to:~~

~~(a) Any order for immediate action, including, but not limited to, quarantine and the treatment or cleansing of infected or infested animals, objects or premises, made under the authority of the State Board of Agriculture, the State Board of Health, or any other agency of this State in the discharge of a responsibility for the preservation of human or animal health or for insect or pest control;~~

~~(b) An extraordinary regulation of the State Board of Pharmacy adopted pursuant to NRS 453.2184;~~

~~(c) A regulation adopted by the State Board of Education pursuant to NRS 388.255 or 394.1694;~~

~~(d) The judicial review of decisions of the Public Utilities Commission of Nevada;~~

~~(e) The adoption, amendment or repeal of policies by the Rehabilitation Division of the Department of Employment, Training and Rehabilitation pursuant to NRS 426.561 or 615.178;~~

~~(f) The adoption or amendment of a rule or regulation to be included in the State Plan for Services for Victims of Crime by the Department of Health and Human Services pursuant to NRS 217.130;~~

~~(g) The adoption, amendment or repeal of rules governing the conduct of contests and exhibitions of unarmed combat by the Nevada Athletic Commission pursuant to NRS 467.075;~~

~~(h) The adoption, amendment or repeal of regulations by the Director of the Department of Health and Human Services pursuant to NRS 447.335 to 447.350, inclusive;~~

~~(i) The adoption, amendment or repeal of standards of content and performance for courses of study in public schools by the Council to Establish Academic Standards for Public Schools and the State Board of Education pursuant to NRS 389.520;~~

~~(j) The adoption, amendment or repeal of the statewide plan to allocate money from the Fund for a Resilient Nevada created by NRS 433.732 established by the Department of Health and Human Services pursuant to paragraph (b) of subsection 1 of NRS 433.734; or~~

~~(k) The adoption or amendment of a data request by the Commissioner of Insurance pursuant to NRS 687B.404.~~

~~6. The State Board of Parole Commissioners is subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case. (Deleted by amendment.)~~

Sec. 8.2. Chapter 232 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Nevada Conservation and Recreation Program is hereby created within the Department to protect, preserve and obtain the benefits of the property and natural and cultural resources of this State. The Director shall administer the Program.

2. The Nevada Conservation and Recreation Program consists of:

(a) A grant program to make grants in accordance with subsections 8, 9 and 10 of section 2 of chapter 480, Statutes of Nevada 2019, at page 2861; and

(b) The Nevada Water Buy-Back Initiative established by section 6 of this act.

3. The Director may adopt regulations to carry out the provisions of this section.

Sec. 8.4. NRS 232.010 is hereby amended to read as follows:

232.010 As used in NRS 232.010 to 232.162, inclusive ~~the~~, and section 8.2 of this act:

1. "Department" means the State Department of Conservation and Natural Resources.

2. "Director" means the Director of the State Department of Conservation and Natural Resources.

Sec. 8.6. NRS 232.090 is hereby amended to read as follows:

232.090 1. The Department consists of the Director and the following:

(a) The Division of Water Resources.

(b) The Division of State Lands.

(c) The Division of Forestry.

(d) The Division of State Parks.

(e) The Division of Environmental Protection.

(f) The Office of Historic Preservation.

(g) The Division of Outdoor Recreation.

(h) The Division of Natural Heritage.

(i) Such other divisions as the Director may from time to time establish.

2. The State Environmental Commission, the State Conservation Commission, the Commission for Cultural Centers and Historic Preservation, the Commission on Off-Highway Vehicles, the Conservation Districts Program, the Sagebrush Ecosystem Council, the Nevada Conservation and Recreation Program, the Advisory Committee for the Nevada Water Buy-Back Initiative and the Board to Review Claims are within the Department.

Sec. 9. There is hereby appropriated from the State General Fund to the Account for Purchasing and Retiring Water Rights created by section 5 of this act the sum of \$5,000,000 for the reasonable costs incurred by the Director of the State Department of Conservation and Natural Resources and the Nevada Conservation and Recreation Program created by section 8.2 of this act in administering the Nevada Water Buy-Back Initiative established pursuant to section 6 of this act and for the purchase of water rights pursuant to section 6 of this act.

Sec. 9.5. The Director of the State Department of Conservation and Natural Resources shall, on or before July 1, 2025, adopt the regulations which are required by section 6.6 of this act.

Sec. 10. ~~(This)~~

1. This section becomes effective upon passage and approval.

1 2. Sections 1 to 9.5, inclusive, of this act ~~becomes~~ become effective ~~on~~ :
2 (a) Upon passage and approval for the purpose of adopting any
3 regulations and performing any other preparatory administrative tasks to
4 carry out the provisions of this act; and
5 (b) On July 1, 2023 ~~is~~, for all other purposes.