

**MINUTES OF THE
SENATE COMMITTEE ON NATURAL RESOURCES**

**Eighty-second Session
May 2, 2023**

The Senate Committee on Natural Resources was called to order by Chair Julie Pazina at 3:30 p.m. on Tuesday, May 2, 2023, in Room 2144 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Julie Pazina, Chair
Senator Melanie Scheible, Vice Chair
Senator Edgar Flores
Senator Pete Goicoechea
Senator Ira Hansen

GUEST LEGISLATORS PRESENT:

Assemblyman Rich DeLong, Assembly District No. 26

STAFF MEMBERS PRESENT:

Alysa Keller, Policy Analyst
Erin Sturdivant, Counsel
Donna Crawford Kennedy, Committee Secretary

OTHERS PRESENT:

Steve Walker, Eureka County
Doug Busselman, Nevada Farm Bureau Federation
Dave Stix, Nevada Cattlemen's Association
Adam Sullivan, State Engineer, Division of Water Resources, State Department
of Conservation and Natural Resources
George Taylor

CHAIR PAZINA:

We will open the meeting with Assembly Bill (A.B.) 91

ASSEMBLY BILL 91 (1st Reprint): Revises provisions governing water.
(BDR 48-696)

ASSEMBLYMAN RICH DELONG (Assembly District No. 26):

Assembly Bill 91 is a relatively straightforward bill. It provides water right holders with wells on public land and the ability to drill a replacement well without revising their water rights if the first well fails. The provision is trying to mirror what already exists in *Nevada Revised Statutes* (NRS) for owners of wells on private land.

When the bill was heard in the Assembly, there were some questions regarding federal lands. An amendment was added to the bill which requires notification to the federal land manager if you are drilling a replacement on federal lands.

Section 1, subsection 1, paragraph (a) and subsection 2 inserts verbiage regarding replacement wells on public lands.

Subsections 4 and 5 are new. Subsection 4 states "the need to notify any relevant federal agency that is charged with administering such public lands and that it complies with all applicable federal laws."

Subsection 5 defines "public lands as set out in NRS 408.078." This was requested by the U.S. Forest Service.

SENATOR SCHEIBLE:

Did we hear a similar bill last Session about redrilling a failed well 200 feet and then discussing what would happen if those 200 feet exceeded the property line? There were concerns about drilling a well on public lands. My understanding is that the point of this bill is to make clear that anybody is allowed to drill on public lands despite those concerns.

ASSEMBLYMAN DELONG:

The bill's intent is that if you have a well on public land and it fails, a replacement well can be drilled if it is within 300 feet of the original well. That is the same distance that is currently provided for wells on private land.

SENATOR GOICOECHEA:

The bill last Session stated that if redrilling a well, you had to own both properties, but you could cross the section line.

SENATOR SCHEIBLE:

If I have a plot of land and a failed well on the very edge of my property, which shares a border with public land, could I redrill my well across that border on public land?

ASSEMBLYMAN DELONG:

This bill deals with State water rights. From that perspective, yes. If you are going to do anything on public land, whether it be administered by the Bureau of Land Management (BLM) or the Forest Service, you are going to need to have some sort of authorization from them. You cannot just go on public land and drill. That is why we added subsection 4 to the bill. You must notify the appropriate federal land management agency.

SENATOR HANSEN:

This bill is for people who have water rights for their original well, which has gone bad and needs to be redrilled. They would have to follow the laws in place regarding public lands. Basically, nothing is changing. I do not understand why the bill is needed. Currently, under State law, if I have a well that has gone bad, I cannot redrill that well without complying with all federal and State laws. What problem are you trying to solve with this bill?

ASSEMBLYMAN DELONG:

What we are trying to solve with this bill is drilling a replacement well without having to go through re-permitting it with the State Engineer.

CHAIR PAZINA:

We will open testimony in support of A.B. 91.

STEVE WALKER (Eureka County):

Eureka County is in support of the amended version of A.B. 91.

DOUG BUSSELMAN (Nevada Farm Bureau Federation):

Water developments provide significant contributions to effective livestock grazing on federally managed lands. Through the distribution of livestock across grazing permits by way of privately owned and maintained water resources improves range conditions, and benefits everyone's interest. We support A.B. 91 as part of this principle. When a livestock water well needs replacement, the ability to redrill a replacement well, within the guidelines

outlined in A.B. 91 should be allowed. We ask the Committee to vote yes on A.B. 91.

DAVE STIX (Nevada Cattlemen's Association):

We supported this bill wholeheartedly when it was first introduced. This affects us. This is real life. When we saw the bill, we thought it was written for us; it was not, but this affects the cattle industry every day in Nevada when you are on public grazing land. Failures happen, and we need to go out to get water to our cattle right away. The only thing we are concerned with in the amendment is that it is not a requirement or condition that has to be met. We have to get approval from the BLM or the Forest Service to do this, even if that was not written into this bill amendment. I just wanted to make that clear on the record. We ask this Committee to vote yes on A.B. 91.

CHAIR PAZINA:

We will now open testimony in opposition to A.B. 91. Since there is no opposition testimony, we will open for testimony in neutral.

ADAM SULLIVAN (State Engineer, Division of Water Resources, State Department of Conservation and Natural Resources):

I would like to testify in neutral on A.B. 91. To answer your question Senator Hansen, the intent for replacement wells is not to be specific to private or public lands. There is a need if a well collapses to replace that well; that is why the provision is there. It is looked at as the same source for the same use. If the well fails, it needs to be replaced. I do not see this bill as creating any new problems, and I understand the intent is to be clear that it is meant to apply to both public and private water right holders equally. So, to that end, I am neutral on A.B. 91.

SENATOR HANSEN:

What is going to change if this law passes? What is different than what is being done now?

MR. SULLIVAN:

The well driller would file a notice of intent, and we would try to turn that around as quickly as we could within a couple of days. We would look at the ownership, and the well driller must be consistent with regulations. As previously mentioned, the bill from last Session or two Sessions ago allows the

300-foot radius to cross a section line. That helps facilitate the process. This bill would add certainty that, if it is on public lands, it would be a replacement well and would be allowable.

SENATOR HANSEN:

But still, a well driller is not just going to go out and drill another hole in the ground without going through the permitting process to make sure the waters are appropriated that will be used.

I want to figure out what really changes here. It does not sound like a whole lot. It could help expedite the process on public land.

I can see where losing a well could be a real crisis. You have a spot where livestock can go when they need water quickly. The well goes bad, and several head of livestock are counting on that stock water. If this helps expedite that process, it is good to make sure that one does not lose their livestock from dying of thirst or having to transfer cattle to a different place.

MR. SULLIVAN:

I do not see that as a likely situation, but the intent here is to ensure it does not become a problem.

SENATOR HANSEN:

I am trying to figure out what we are attempting to solve here, ensuring that it improves something. This bill will help expedite the process and make sure that the Office of the State Engineer has the green light to go ahead and allow somebody to replace a well without going through some additional bureaucratic red tape.

MR. SULLIVAN:

From a water rights standpoint, yes, that is how I see it.

CHAIR PAZINA:

Seeing no more testifiers for neutral, we will close the testimony on A.B. 91 and open testimony on A.B. 191.

ASSEMBLY BILL 191 (1st Reprint): Revises provisions relating to water conservation. (BDR 48-697)

ASSEMBLYMAN RICH DELONG (Assembly District No. 26):

Currently, suppliers of water, regardless of how many service connections they have, are required to prepare a water conservation plan to manage their water losses. There are about 600 to 700 of these water suppliers in the State. Approximately 350 of them have less than 15 connections, which means the systems are so small they can just look around their property and see all the connections. It is not like a city or the Truckee Meadows Water Authority that have thousands of connections.

The intent of A.B. 191 is to simplify the process for the small water suppliers, limit their regulatory burden, and ensure that they do not have to meet the requirement for a water conservation plan since their systems are so small. They know if they are losing water just by looking around their property.

The bill's intent is pretty much that simple. It came out of the Assembly with three provisions that define what the exemption covers. The small water suppliers have less than 15 service connections, service year-round residents and/or are a supplier of municipal or quasi-municipal purposes.

Unfortunately, I did not catch this in the Legislative Counsel Bureau's suggested edits; having that degree of specificity reduces the number that would be covered with this bill. I am providing a friendly amendment ([Exhibit C](#)).

Assembly Bill 191, section 1, subsection 2, paragraph (b), subparagraphs (1) through (3) reads: A public or private entity that: (1) Has less than 15 service connections as defined in NRS 445A.843; (2) Serves year-round residents; and (3) Supplies water for municipal or quasi-municipal purposes.

This bill includes all 350 suppliers of water and makes them exempt from the regulatory reporting requirement.

CHAIR PAZINA:

When you mention less than 15 service connections in section 1, would these suppliers be servicing an organization that might be a bit larger? While they have less than 15 service connections, one of the connections this entity is providing could have upwards of 100 to 200 people working in an organization, which is one of the connections they are supplying.

ASSEMBLYMAN DELONG:

There could be quite a few individuals being served; one example is the Dyer Elementary School. This small school has one or two service connections, but there is something close to 100 kids there. The exemption we are trying to address here is a water conservation provision to look at water loss and how you minimize the loss or waste of water.

SENATOR HANSEN:

I am glad you brought up Dyer. That was part of my district's last mapping. I wanted to figure out where we are going with the bill. So, you are talking about little tiny Dyer in Fish Lake Valley. The school is its own entity. It supplies its own water because it is on a well and it connects the school and the administrative building or something like that. According to current State law, they must provide a formal plan like one of the major water purveyors in northern Nevada or Clark County in southern Nevada. Even though they are so tiny they can see any leaks in the system, they have the same requirements that a giant utility with the staff and everything else to deal with this stuff. That is what we are targeting with this bill, the 350 different water purveyors who have less than 15 connections. I had no clue you were talking about little tiny ones. They are on a well and in isolated places, and they do not need to have a big conservation plan because their total water demand in a year is like one block in Las Vegas.

ASSEMBLYMAN DELONG:

I could not have said it better myself.

CHAIR PAZINA:

We will open testimony in support for A.B. 191. Seeing none, we will open testimony in opposition to A.B. 191. Seeing none, we will open testimony in neutral to A.B. 191.

MR. SULLIVAN:

I would like to testify neutral on this bill. I agree with the comments that have been previously made.

Looking at how the statute is written, it is geared toward community water systems finding ways to look at rate structures and the importance of conserving water. When discussing examples like a school, a gas station, a mini-mart, little hotels, seasonal campgrounds or several other examples, the

water conservation plan framework is not aimed at those small entities. This bill makes the definition of a supplier consistent with who is intended to be targeted by water conservation plans.

CHAIR PAZINA:

Seeing no further testimony in neutral, I will close the hearing on A.B. 191 and open public comment.

GEORGE TAYLOR:

I am from Reno. I have a Ph.D. in computer engineering from Berkeley, and I have studied electricity options around the Country quite extensively and for the past eight or ten years as part of a think tank.

I testified yesterday about Yucca Mountain and I realized I forgot what other people might be thinking. I want to add one important thing: As far as I can tell, nothing that we would ever do in the future with small modular reactors or anything else would ever need to use Yucca Mountain as a repository. I had just basically blanked it out of my mind thinking it was so ridiculous that it would never return. The reason is because we do not need to bury any used fuel from any kind of nuclear reactor; we can keep it in dry casks on the surface forever if we wish to because it cannot do any harm. It is just a bunch of metal rods in a big concrete thing, and it is not even very warm or very radioactive. I have seen one myself at Diablo Canyon while taking a tour.

I forgot yesterday that Yucca Mountain is an old, frightening and terrible political issue in this State. I lived in California too long and forgot about it. So now I am here, and fortunately, that will never come up, and we can focus on everything else, which is what I hope we will do.

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CHAIR PAZINA:

With no public comment and having no further business, this meeting is adjourned at 4:00 p.m.

RESPECTFULLY SUBMITTED:

Donna Crawford Kennedy,
Committee Secretary

APPROVED BY:

Senator Julie Pazina, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	A	1		Agenda
	B	1		Attendance Roster
A.B.191	C	6	Assemblyman Rich DeLong	Friendly Amendment