MINUTES OF THE
SENATE COMMITTEE ON NATURAL RESOURCES

Eighty-third Session
May 8, 2025

The Senate Committee on Natural Resources was called to order by Chair Michelee Cruz-Crawford at 3:33 p.m. on Thursday, May 8, 2025, in Room 2144 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 8 of the Nevada Legislature Hearing Rooms, 7120 Amigo Street, Las Vegas, 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 Michelee Cruz-Crawford, Chair
Senator Melanie Scheible, Vice Chair
Senator Julie Pazina
Senator Ira Hansen
Senator John Ellison

GUEST LEGISLATORS PRESENT:

Assemblymember Natha C. Anderson, Assembly District No. 30
Assemblymember Toby Yurek, Assembly District No. 19

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Committee Policy Analyst
Daniela Cortes-Arriola, Committee Policy Analyst
Erin Sturdivant, Committee Counsel
Cherie Dittler, Committee Secretary

OTHERS PRESENT:

Larry Johnson, President, Coalition for Nevada's Wildlife
Christi Cabrera-Georgeson, Deputy Director, Nevada Conservation League
Bradley Bauman, Wildlife Staff Specialist, Nevada Department of Wildlife
Olivia Tanager, Sierra Club Toiyabe Chapter
Allen Biaggi, Nevada Mining Association
Andy Belanger, Director, Public Services, Southern Nevada Water Authority

Jeff Fontaine, Central Nevada Regional Water Authority; Humboldt Basin Water Authority
Alan Jenne, Director, Nevada Department of Wildlife
Leo Drozdoff, Truckee Meadows Water Authority
Jackie Pierrott, Eureka County
Doug Busselman, Executive Vice President, Nevada Farm Bureau Federation
Laurel Saito, Water Strategy Director, The Nature Conservancy
Chris Mahannah, Churchill County
Kyle Davis, The Pew Charitable Trusts
Peter Stanton, Executive Director, Walker Basin Conservancy
Kyle Roerink, Executive Director, Great Basin Water Network
Laura McSwain, Water Fairness Coalition, Inc.
David Dazlich, Nevada Mineral Exploration Coalition
Hector Arreola, Make the Road Nevada
Diane Henry
Adam Sullivan, State Engineer/Administrator, Division of Water Resources, State Department of Conservation and Natural Resources
Joe Guild

CHAIR CRUZ-CRAWFORD:
We will start with a hearing on Assembly Bill (A.B.) 132.

ASSEMBLY BILL 132: Revises provisions relating to water. (BDR 48-586)

ASSEMBLYMEMBER TOBY YUREK (Assembly District No. 19):
This bill passed through the Assembly with unanimous bipartisan support, and I'm grateful to move it forward on its legislative journey. As you know, Nevada's ongoing drought continues to put pressure on our wildlife populations and natural habitats. This bill was actually brought to me by the Coalition for Nevada's Wildlife. With this bill, we are trying to find a practical and effective solution to help address some of the pressures caused by the drought.

LARRY JOHNSON (President, Coalition for Nevada's Wildlife):
Our Coalition asked Assemblymember Yurek to sponsor this bill as this legislation is badly needed—particularly due to the drought in Southern Nevada. Up until about a month ago, we had zero precipitation in 2025, and prior to last month, eight or nine months without precipitation. Many mountain ranges in Southern Nevada are in dire straits, not only for water resources but also for forage because of the lack of precipitation. This bill allows the expansion of

artificial water developments to increase their capacity, which have been taxed to their absolute limit.

A guzzler is an artificial impervious surface. Most of the time, it's sheet metal supported by structural steel. Sometimes it's a naturally slick single bedrock; although in Southern Nevada, it's usually made of limestone that collects precipitation and runoff. These artificial surfaces, the sheet metal aprons, are sloped to drain to a gutter system that then drains into a downspout and into storage tanks. That water is then metered into a drinker that all wildlife has use of. When I say "all wildlife," I'm talking about everything from bugs to birds, bats and big game animals. Every conceivable species of wildlife you could imagine uses these features. We have also used them to expand viable habitat for our big game animals because man's encroachment has oftentimes monopolized water sources and excluded wildlife.

We have built these water developments in desert mountain ranges and all over the State. We built them for bighorn sheep, antelope and elk. We have built many small game guzzlers for quail, chukar and others. There are probably 2,000 or more guzzlers across the State and over 1,000 of them are big game units with larger aprons and a larger storage capacity. This bill will allow the expansion of the storage capacity of these artificial units from 20,000 gallons to 40,000 gallons and would also allow the pipelines connected to the drinkers to expand.

These are very difficult times. The Nevada Department of Wildlife (NDOW) has just completed emergency water airlifts to guzzlers in Southern Nevada at a great cost using sportsman dollars. It costs approximately $400,000 to $500,000 to conduct helicopter airlifts and thin the density of some of the herds because of the lack of forage and limited water resources.

Sportsmen's groups like the Coalition for Nevada's Wildlife act in partnership with NDOW to build and maintain the precipitation equipment—all in the big picture of wildlife management.

ASSEMBLYMEMBER YUREK:
I will walk you through the brief provisions of this bill. Under section 1, we are changing the maximum allowable capacity of guzzlers from a current 20,000-gallon maximum to a 40,000-gallon maximum to double the maximum capacity the guzzlers can hold. We are also increasing the reach of the pipe length from one-quarter mile to one-half mile. That is the short and sweet of the bill.

SENATOR ELLISON:
Most of the guzzlers I have seen have been on public lands, and installed and managed by the Bureau of Land Management (BLM). Are the sportsmen going to do all the maintenance to keep these things open?

MR. JOHNSON:
Although most of these guzzlers are on BLM land, they are not constructed or maintained by the BLM. They are inspected and maintained by NDOW, and sportsmen's groups have privately organized inspection and maintenance tours of guzzler units to where the maintenance is—under the jurisdiction of NDOW. Oftentimes private sportsman groups actually do the work.

SENATOR ELLISON:
I have seen some small guzzlers put in throughout the years, but once animals go towards them, they dry up because they're blocked or whatever. That creates a problem because the animals come back to see if there's any water in there. I think the biggest thing is trying to keep the guzzlers maintained, and it doesn't matter who does it—that's the biggest thing.

SENATOR HANSEN:
Mr. Johnson has installed hundreds of these devices, not just representing the Coalition for Nevada's Wildlife, but also representing Nevada Bighorns Unlimited, Fraternity of the Desert Bighorn and the Desert Bighorn Council, and I'm not sure if the Elk Foundation also participates. To Mr. Johnson's credit, he has been actively involved in these organizations for his entire adult life. I have a lot of respect for this guy. None of us are getting any younger, but Larry has done probably more than anybody I know in Nevada to help with these kinds of things and has been active in all of the organization's fundraisers, dinners, everything.

This guy sitting in front of you has done a tremendous amount of good, not only for big game that hunters enjoy. Literally every animal in Nevada benefits from having these guzzlers. They are really just artificial springs—that's what they are. This bill is just great. Thanks for bringing this bill forward, and a lot of wildlife will benefit from it; sage hens as well. I just want everybody to know that Larry is not here to just talk. The amount of work this gentleman has done is phenomenal and I want it on the record.

ASSEMBLYMEMBER YUREK:
Something I learned bringing this bill forward and working with Mr. Johnson was that the volunteer hours expended on these projects are accumulated to

gather federal dollars that bring resources into the State. It also helps with some of the other stuff they do. It has been a privilege to work with Mr. Johnson and the Coalition.

SENATOR HANSEN:
There are hundreds and hundreds of people around the State who are actively involved with wildlife, including the guzzlers that have been a really fantastic program. This is a very reasonable bill.

CHRISTI CABRERA-GEORGESON (Deputy Director, Nevada Conservation League):
We strongly support A.B. 132. Water is consistently a limiting factor for wildlife across the West. These guzzlers have become really critical to wildlife survival and this bill simply expands the tool to help benefit wildlife. We urge the committee's support

BRADLEY BAUMAN (Wildlife Staff Specialist, Nevada Department of Wildlife):
I oversee the guzzler and water development programs statewide. The Department supports increasing the capacity of guzzlers from 20,000 gallons to 40,000 gallons, and the water conduit pipeline from a quarter-mile to a half-mile. I'll put a few numbers to this. We have approximately 1,790 guzzlers throughout the State and try to visit each guzzler at least once every three years to do maintenance and inspections. A lot of maintenance is done by helicopter, but we go in by ground if we know they need maintenance.

To provide accurate information, there are 489 guzzlers in Nevada that can support increased capacity. Three guzzlers are at the 20,000-gallon capacity right now. I'm going to tell you a story that happened two days ago. There's one guzzler near Las Vegas in the Muddy Mountains—between Las Vegas and Lake Mead. This guzzler has a capacity of 19,000 gallons, just under that 20,000-gallon capacity. The guzzler has a water monitor attached to it. Using a helicopter, we hauled 9,000 gallons of water to this guzzler, which costs about $15,000 a day. When Las Vegas had rainstorms on Sunday, Monday, and Tuesday, we watched this guzzler fill up to capacity. The water monitors are linked by satellite so we can watch them in real time.

Since the guzzler filled to capacity and overflowed, the water just spilled out to the ground. Thinking of this bill in respect to the water overflow, I was like "It sure would be nice to capture those extra gallons that are falling out onto the ground right now to make them available for wildlife."

OLIVIA TANAGER (Sierra Club Toiyabe Chapter):
We strongly support A.B. 132. This bill gives land and wildlife managers the tools they need to make sure that animals, especially in remote or arid areas, have access to critical water resources. These guzzlers are low-impact solutions with big returns for biodiversity, ecosystem health and even outdoor recreation. They help sustain game and nongame species alike and reduce pressure on natural springs. This is a smart solution, and we appreciate the bill sponsor bringing it forward. Please support this bill.

CHAIR CRUZ-CRAWFORD:
I will close the hearing on A.B. 132 and open the hearing on A.B. 104. We realize this is a longer bill. If you need more time than 15 minutes, we'll give you an extra 30 seconds, and if you need even more time you can ask for it.

ASSEMBLY BILL 104: Revises provisions relating to water. (BDR 48-383)

ASSEMBLYMEMBER NATHA C. ANDERSON (Assembly District No. 30):
I am pleased to present A.B. 104 along with Allen Biaggi, Andy Belinger and Jeff Fontaine. This bill comes out of the Joint Interim Standing Committee on Natural Resources, where I served as vice chair this past interim. The committee unanimously recommended this bill which creates the Nevada Voluntary Water Rights Retirement Program (NVWRP) and other revisions related to water.

I will provide some background. As we all know, water is the issue that faces us—whether it's making sure we have enough water for our wild animals or for ourselves. The big issue we are currently dealing with is groundwater basins that are over-appropriated and over-pumped. During the interim, we heard about water rights retirement programs in other states and the voluntary pilot program started in Nevada by the Department of Conservation and Natural Resources (DCNR). The pilot program granted $25 million of ARPA [American Rescue Plan Act] funding to four different entities and resulted in approximately 21,000 acre-feet of water rights being retired from willing sellers.

Establishing a water rights retirement program in statute would be a step forward in addressing over-appropriation and over-pumping. There are other provisions in this bill that encourage a variety of things. Most important ... actually, I can't tell you which one is the most important because there are so many different areas the bill addresses. The statewide working group that developed this language started meeting in December 2023 and has continued

to meet just about every week during session. Before that, the working group met every five to six weeks.

When I talk with my constituents in Sparks, water rights—believe it or not—was a recurring theme, even though it's not something people always talk about in public. Even in my little area of Sparks, over-appropriation was a huge concern. As the interim committee continued to work on the bill, I was able to discuss issues with these individuals who would then discuss it with me. I'm not an expert in this and I don't think any of us really are with the exception of some individuals that are here today.

It was a way for people to agree or disagree with each other, and to find solutions which maybe not everybody would be comfortable with or agree on but they were comfortable enough to move forward.

ALLEN BIAGGI (Nevada Mining Association):
I am also representing a diverse group of water professionals, most who are in the room this afternoon. We all know groundwater is a critical resource in Nevada and is facing pressure like never before from an increasing population base, climate change, and the need for reliable, up-to-date resource information. Changes to Nevada water law are complex, technically challenging and difficult to accomplish in a 120-day session. Our group has been meeting for the last 17 months to identify a consensus where changes in water law may be appropriate. While we discussed many concepts, we landed on NVWRP.

The program would allow willing sellers to relinquish water rights for compensation and directs the State Engineer to permanently retire those relinquished rights from future allocation. While A.B. 104 deals primarily with water rights retirement, it also contains other related issues which will be discussed. These include water reuse, variances to water quality standards and, in Southern Nevada, revocable rights, fee usage, septic tanks and turf removal.

The language in A.B. 104 has had public review and input and perhaps most importantly was presented to the committee which recommended that the bill move forward as a BDR [bill draft request]. Finally, A.B. 104 was amended in the Assembly. The fiscal note was removed, and the groundwater rights retirement process was streamlined.

Section 1 amends *Nevada Revised Statutes* (NRS) 533, which addresses the appropriation of groundwater to be consistent with section 4 of the bill. Sections 2 and 3 amend NRS 533.370 and NRS 533.371 and directs the State

Engineer to reject an application and refuse to issue a permit of groundwater retired pursuant to section 4 of this bill. This ensures that retired groundwater rights are not reallocated in the future.

Section 4 amends NRS chapter 534, which addresses underground water and wells, and does four things: First, it establishes the NVWRP; second, it allows the State Engineer to retire rights by means he or she deems appropriate; third, it precludes water rights that have been retired from allocation in perpetuity—that was also reflected in sections 2 and 3; and fourth, it sunsets the program in 2035. The sunset provision was added to encourage willing water sellers to come forward as quickly as possible. It also recognizes that this is a unique program that should be evaluated as to its success and effectiveness, over time.

Of course, over time, the Legislature has the discretion of extending the sunset provision. Sections 5 and 6 are not components of the NVWRP and were requested by the Southern Nevada Water Authority (SNWA). These sections amend NRS 534 to clarify [the difference between] temporary and revocable permits and establishes 1,250-feet drilling prohibition for domestic wells from the municipal service lines in Southern Nevada. It should be noted that revocable permits are exclusively used in the Las Vegas Valley,

Sections 7 through 12 amend NRS 232, which address State of Nevada executive departments and establishes the framework of the program. Section 8 creates the Nevada Conservation and Recreation Program (NCRP) within DCNR. The program is to be administered by its director and includes a grant program, the NVWRP, and gives the director the discretion to adopt regulations to operate the program.

Section 9, subsection 1 establishes the Account for Retiring Water Rights within the State General Fund. Subsection 2 provides authority for the account to accept any direct legislative appropriations, but I want to point out that there are no appropriations requested in this bill. This section also allows the director to apply for and accept any gifts, donations, bequests, grants, federal money or other sources of funding. Subsection 3 states that the money in the account can be used only for the NVWRP. Subsection 4 allows for the investment and reinvestment of the funds and proceeds returned to the account. This must done in accordance with the public investment provisions of NRS 355.

Subsection 5 allows for funds to remain in the account with no reversion to the State General Fund. Section 6 provides authority to the director to partner with a public or private entity to apply for, obtain and manage funds within the

account. Subsection 10 places the NVWRP in the NCRP which is created in section 8 and subsection 1 outlines the very important goals of the program—to protect natural resources, address declining water levels in water basins, address conflicts with existing rights and to protect interests such as domestic wells.

Subsection 2 outlines how the director shall administer the program, specifically by using funds in the account to identify and purchase water for retirement from willing sellers. Priority will be given to those basins where an order has been issued by the State Engineer precluding new appropriations and for the retirement goals outlined in section 1. Subsection 3 outlines the process for documenting retired water rights with the office of the State Engineer. Subsection 4 defines when the director may initiate the retirement process and subsection 5 again references the June 30, 2035 sunset provision.

Sections 11 and 12 have been deleted by amendment. Section 13 adds a consistency change to NRS 232. Section 14, subsection 2 adds the NVWRP and the Advisory Committee for the NVWRP to the DCNR. I would also like to point out the advisory committee was deleted by the previous amendment in the Assembly. Section 15 has been deleted by amendment.

Section 16 makes changes to NRS 349, the program to provide grants for water conservation and capital improvements. Subsection 1, paragraph (b) clarifies wording concerning the recovery and measurement of water. Subsection 1, paragraph (b), subparagraph (7) allows funds in the program to pay for the removal of grass for water conservation purposes in Southern Nevada. Subsection 1, paragraph (b), subparagraph (8) allows for program funds to be used for retiring groundwater pursuant to the conditions of this bill. Subsection 1, paragraph (c) again addresses the revocable permits in the Las Vegas Valley. Section 17 is included to make wording consistent.

Section 18 is not associated with the NVWRP and amends NRS 439 which is under public health and safety [statutes]. Subsection 4 clarifies the conditions for financial assistance to abandon a septic system and connect to a community system. Again, this issue is specific to Clark County and was requested by the SNWA.

Section 19 amends NRS 445A, water pollution control, and is not associated with NVWRP. This section was requested by the Nevada Division of Environmental Protection (NDEP). Subsection 2, paragraph (d) is a statement to

encourage and promote the reuse and recycling of water by various means in Nevada.

Section 20 also amends NRS 445A.305 and was requested by NDEP. Subsection 4 allows the State Environmental Commission to establish a water quality standard variance pending the approval of the U.S. Environmental Protection Agency. These variances are allowed within the Clean Water Act. Section 21 addresses the deletion of the program after the sunset date.

Section 21.3 amends chapter 364, the Conservation of Colorado River Water Act and was requested by SNWA. This section outlines the permissible means of expenditure of fees charged to customers for excess water use: First, the repair of existing water leaks on the property to pay for abandonment of septic systems and connect to the municipal water supply; second, to pay 100 percent of the cost for an existing customer to connect with the municipal water supply; third, the planting of trees to combat heat island effects; fourth, to provide assistance to low-income customers for water bill payment; and fifth, for other purposes to protect the water supply.

Section 21.5 also amends the Conservation of Colorado River Water Act and clarifies the timing of customer irrigation water efficiency monitoring. Section 21.7 amends chapter 272, the SNWA Act. This was added at the request of SNWA and removes provisions related to the resignation or inability of a member to serve on the advisory committee. Section 22 provides consistency language similar to the changes in section 5. Section 23 addresses revocable permits in Southern Nevada. Section 24 was deleted by amendment and section 25 outlines the effective date of the legislation and the sunset provisions. We would be happy to answer any questions and there's a wealth of knowledge sitting behind me if further detail is needed.

ANDY BELANGER (Director of Public Services, Southern Nevada Water Authority):
I will walk through the conceptual amendment (Exhibit C) that the working group developed.

There's also a conceptual amendment (Exhibit D) from Senators Nguyen, Scheible and Cruz-Crawford that I have submitted, which deletes section 21.3 of the bill entirely. I want the record clear that we also support that amendment. As I go through the conceptual amendment, I will spend some time on section 21.3 of the bill.

In sections 2 and 3, there's a reference to water that has been retired pursuant to the act. It's conforming language, but we want to make sure the language is clear that it applies to applications that would either request a change or reinstatement of water that has already been retired. We don't want groundwater basins to be closed because groundwater has been retired in those basins. We made it clear to the working group that if a water right or groundwater right is retired in a basin, it doesn't close the basin. It allows the State Engineer to continue with the normal administration of that basin, but the water that has been retired cannot be used for future use. That's what the provisions of sections 2 and 3 will do.

We are also amending section 21.3 and proposing that the word "vested" be changed to "adjudicated" in all provisions. We want to make sure water rights that have been retired are water rights that are actually being used or were used. We want to make sure Nevada's resources are being used in the most efficient way, and we're not retiring "paper water" that has never actually been pumped. There may be associated water rights with adjudicated and certificated water rights that we want to be affected. That's the purpose of that change—to make sure we are talking about real water that has been used. We are also changing section 10, line 24 of the bill, replacing the word "or" with the word "and" to conform with the same language in Senate Bill (S.B.) 36. We wanted language in both bills to be consistent with each other.

SENATE BILL 36: Revises provisions relating to water. (BDR 48-384)

We want to be clear that we are proposing section 21.3 be removed from the bill at the request of Senators Nguyen, Cruz-Crawford and Scheible. We didn't intend to bring that language to the Nevada Legislature.

In 2025, an Assemblymember brought up using the excessive use charge for septic conversions because they're on larger lots. She thought it would be good for people who are paying the charge to get some benefit. It wasn't something we had really thought through and, as she wanted to bring it to the Legislature, we had no objection to that. The idea of doing a low-income assistance program was another idea that we heard, so we are open to including this. We know there's some concern about it and what the purpose is.

But we don't want this to jeopardize the passing of A.B. 104 and have agreed to remove it at this time. The only other change you'll see in section 25 is that the equivalent language of section 14 is removed from S.B. 36. We are proposing that it also be removed from this bill.

JEFF FONTAINE (Central Nevada Regional Water Authority; Humboldt River Basin Water Authority):
I want to share my appreciation for all the folks who worked on A.B. 104. There were a lot of diverse stakeholders involved, and we just kept adjusting this bill as we went along. We had the opportunity because we are in the midst of implementing the NVWRP. We were able to learn and incorporate many things into this bill. It's a very well-thought-out bill with a lot of support and we appreciate the committee considering it.

SENATOR SCHEIBLE:
I have a couple of questions on some of the smaller portions of the bill because we've had lots of conversations about the water rights retirement and section 21.3. I'm looking at the text in section 14. In your presentation, you said we are adding the DCNR [program] but I thought we were adding a reclamation program. Who are we adding to what board or group here? Can you explain this section to me?

MR. BELANGER:
Section 14 includes conforming language that establishes the divisions under the DCNR. It includes the NCRP because that's established earlier in A.B. 104. That section simply references the other divisions and commissions that are part of DCNR. The only thing added is the new NCRP division.

SENATOR SCHEIBLE:
I was confused because sections 8 and 9 are about retiring water rights and the programs listed in section 14 are between other water rights provisions which almost got me. Thank you for being so kind in your clarification. I also have a question on section 5 about the 1,250-feet rule. I hope to get more context on that. How many lots do we know of that would be affected by this provision? I believe this section only affects Southern Nevada—correct?

MR. BELANGER:
The 1,250 limit is actually a provision. The 1,250-feet limit is referenced in other parts of this section, but not in this one. I think it's referenced in the section right before or right after. It's designed to conform the limit with the previous sections—it's included on page 9 [of A.B. 104], line 17. The 1,250-feet standard was established by the Legislature, but it was missed when this bill was updated. The standard was added to conform with the previous section to make it clear that in all cases, 1,250 feet is the standard distance—to make sure the distance is the same in both of those sections.

SENATOR SCHEIBLE:
At the risk of opening up a can of worms—I understand that these are conforming changes and we're not trying to reinvent the wheel here—but we've had a lot of discussions at the Legislature. I'm nervous to bring up moving people from septic tanks to sewer lines. Will the 1,250-foot standard to connect to water also apply to sewer connections or are they separate? Are there going to be lots that are in this weird in-between-place where they are within 1,250 feet of the water line, but don't have access to the sewer?

MR. BELANGER:
This section will have no impact on the septic regulations. The septic regulation is a health district regulation that requires a person or property owner to connect to septic, if they're within 400 feet I believe. The 1,250-feet standard allows the owner to have a well. If they are on septic, or putting in a new septic, then the 400-feet standard would apply in Clark County.

SENATOR HANSEN:
I'm just kind of intrigued. Looking over the audience, we have a Who's Who of all the water people in Nevada in this room at the moment. Mr. Jenne, what are you the head of? Is it NDOW?

ALAN JENNE (Director, Nevada Department of Wildlife):
That's correct, Senator.

SENATOR HANSEN:
I have a question on section 14 which adds the NCRP. Does the State Engineer need to add another position for the program or is that just another title they have in their office?

MR. JENNE:
The way I would characterize it is that this program must be within the structure of DCNR, which is why it's included. There are no new positions or additional cost associated with it.

SENATOR HANSEN:
I was wondering if we were adding another position—hey, we just had James Settelmeyer enter the room, so we now have three people in the room who have been the director of DCNR at one time or another.

My only concern with the bill is that initially it was mainly about retiring water rights. It seems to have been expanded to include SNWA stuff which I'm fine

with. I just want to make sure that the main function is to raise money to retire water rights, and the bill isn't about finding ways to help people pay for retiring their septic systems, adding turf—things like that. I want to make sure we are focusing on the primary mission, which, as I understand it, is retiring water rights and setting up a program where people can raise money or contribute money to that.

MR. FONTAINE:
That is still the primary function of the NCRP, and I think my previous comments that the NVWRP within the DCNR is a specific program and entity within that department. Consequently, the money in the fund can't be diverted to any other purpose.

SENATOR PAZINA:
I worked closely with Assemblymember Anderson, Senator Scheible and many other people on the committee. When we solicitated for recommendations, SNWA initially approached me about the sections that affect them and suggested forming a large working group. I can't thank the people in this room enough who have been part of said working group and developed A.B. 104 and S.B. 36 which we've heard in this committee. It's been a long road, and it's great to see this bill presented after so many conversations and stakeholder meetings. Thank you all for the work that you did.

CHAIR CRUZ-CRAWFORD:
I also appreciate everybody sitting down and walking me through the bill. Our phones did blow up about section 21.3. We removed section 21.3 of the bill as we believe it's a local governance issue. We want to have broader conversations before the next legislative session about fairness, equity and excessive use charges that are not imposed by all jurisdictions across the Las Vegas Valley. We want to thank everybody for working through section 21.3 and our phones immediately stopped blowing up once we took that section out. I feel good because I had a lot of conversations prior to this presentation. I want to thank everybody who has worked through this process and those in the audience.

SENATOR ELLISON:
I had more people in my office this morning than anyone else in this entire building. It was a constant flow. I finally came up with a strategy that came back and kicked me in the rear. I said, "There's no way in heck I'll vote for this bill." But my good buddy Joe, who I've worked with for years, was following

me up the steps saying "you have to" [vote for this bill] and I said "no I don't," so anyway—my plan backfired. The more I said I would not be involved with this bill, the more people showed up. I tried to do something to slow down the traffic, but it didn't work. Thanks Joe.

CHAIR CRUZ CRAWFORD:
We will now hear testimony in support of A.B. 104 and take one minute of public comment per person.

MS. CABRERA-GEORGESON:
As the driest state in the country, Nevada has placed a high value on the conservation of our water resources. Recent polling found that 92 percent of Nevadans are concerned about inadequate water supplies in our State. Water basins across the State are over-allocated and the ongoing drought is making things worse. This voluntary program will provide an essential tool for conserving water and reducing the overuse of our groundwater. We urge the committee's support.

LEO DROZDOFF (Truckee Meadows Water Authority):
We were a member of the group that met for 18 months and are pleased that Senator Pazina and Assemblymember Anderson took us up on the offer to meet in the interim. It was a great process. We would also like to thank DCNR and DWR. We support A.B. 104 and the amendments.

JACKIE PIERROTT (Eureka County):
Eureka County supports A.B. 104 including the amendment presented today by the working group which Eureka County participated in. We greatly appreciate the process where individuals with diverse viewpoints came together to find common ground on a water bill. Eureka County specifically supports the NVWRP. We have experienced firsthand how it has proven to be an effective avenue for the greatest and most quickly obtained water-use balance, far more so than alternative approaches that often lead to conflict and litigation. We look forward to the continued efforts to finalize the bill and moving A.B. 104 to the finish line.

DOUG BUSSELMAN (Executive Vice President, Nevada Farm Bureau Federation):
We have also been a member of the working group from the beginning and appreciate having had the opportunity to help develop A.B. 104 in a collaborative fashion the way we did. The Nevada Farm Bureau also has policy that supports the voluntary purchase of water and water retirement to bring

basins back into balance. We are very pleased that this bill is before you and we encourage your support.

LAUREL SAITO (Water Strategy Director, The Nature Conservancy):
It is our pleasure to speak in support of A.B. 104 and the friendly amendment. The Nature Conservancy supports enabling tools to resolve groundwater overuse that can affect water availability for plants, wildlife and people. Water law allows curtailment by priority, but this may not resolve the issues if curtailed water rights are not affecting the existing users or detriments to natural resources.

This bill provides another tool to address these situations; we have worked with others to develop language in the bill and the friendly amendment that will make voluntary groundwater rights retirement an effective tool for addressing groundwater overuse in Nevada. Should the bill be enacted, we stand ready to help with implementing a voluntary groundwater rights retirement program, one that builds on lessons learned from the Nevada Water Conservation and Infrastructure Initiative and from other states. We are committed to assisting the State in enacting the program by seeking funds and implementing projects to demonstrate effective groundwater rights retirement. We urge your support for this important legislation.

CHRIS MAHANNAH (Churchill County):
I am a registered engineer and water rights surveyor with roughly 40 years of experience of practical application in Nevada water law including: filing applications, protests, proving up on water rights, adjudication, hearings and expert witness testimony. I was also a member of the working group and was the squeaky wheel on sections 2 and 3 regarding the conforming language. I'm not an attorney, but the attorneys in the group felt that certain language needed to be in there in the original bill. Myself and, I believe, the State Engineer didn't feel it was necessary.

However, the conceptual amendment—which Mr. Belanger gave an excellent summary of sections 2 and 3—that amendment was drafted by the Division of Water Resources (DWR) and we support the conceptual amendment.

KYLE DAVIS (The Pew Charitable Trusts):
Water conservation and the wise use of our water resources are top priorities for our State, and we are happy to see this legislation moving forward with the amendments and we are in support.

PETER STANTON (Executive Director, Walker Basin Conservancy):
The State's pilot water rights retirement program had a significant impact on the communities of the Walker River Basin by providing a meaningful tool to help stabilize groundwater tables, reduce conflict and set our communities on a trajectory for long-term sustainability. We are excited to support A.B. 104 going forward.

KYLE ROERINK (Executive Director, Great Basin Water Network):
We are also a member of the working group and it was a great honor to be a part of it. Somebody recently asked me "How much money are you going to need to fix Nevada's groundwater problems?" And I said, "We will take as much as you can give." Although we don't have any money to fill the coffers right now—if we build it, they will come. We are asking you to let us build this statutorily—figure out ways to get the money. This is a "silver buckshot" strategy. We support A.B. 104.

LAURA MCSWAIN (Water Fairness Coalition, Inc.):
I am very grateful for the conceptual amendment. I don't really want to beat a dead horse, but I know this is going to be discussed. For those of you not familiar with the penalties imposed under the excessive use charges, they were adopted on January 1, 2023, and based on a one-size-fits-all threshold regardless of the lot size or family circumstances. The Las Vegas Valley Water District said they only intended to target the top ten water users. At the same time, they developed internal documents which indicated they had 374,000 single-family active services and expected that the rules change would impact roughly 37,000 customers.

On July 17, 2023, the *Las Vegas Review Journal* reported that actually 60,000 residents or customers were impacted by the excessive use charges. Those forced into compliance have done so to avoid bankruptcy and foreclosure. The resulting damage to our urban tree canopy is visible throughout the Las Vegas Valley, which we need for heat mitigation and air quality protection. It's no wonder that record temperatures, increased numbers of pollution days and over 500 heat deaths occurred in 2024.

The excessive use charges were adopted without direct prior notification to Las Vegas Valley customers. It would have been very unfortunate to move forward with this because Las Vegas Valley customers were not included in the conversation. The good news is that advances in technology and water savings through drought-tolerant turf varieties and irrigation technologies have created

water savings that the SNWA [Southern Nevada Water Authority] seeks. It also allows for the preservation of the very elements of the community that will maintain the Las Vegas Valley oasis that we inherited.

It's our obligation to be stewards of the community's environment for future generations. Again, I thank you so much for the conceptual amendment. We will move forward with the opportunity to have further discussions about water fairness.

CHAIR CRUZ-CRAWFORD:
I would like to move your testimony to public comment if that's okay with you.

MS. MCSWAIN:
That's fine. I have no problem with that.

MS. TANAGER:
I am here in strong support of A.B. 104 to improve Nevada's approach to water conservation and groundwater management. This legislation is forward thinking and offers science-based solutions to some of the most pressing water challenges we face in the State. Through this bill, the State is taking a responsible step towards addressing over-appropriated groundwater basins while respecting the rights of existing users. This bill also supports clean water access and conservation, all of which will help rural and urban communities adapt to a drier future as climate change increases—water is life in Nevada. This bill is a smart investment in the sustainability of our ecosystems, our economy and our communities. Please support this important bill.

DAVID DAZLICH (Nevada Mineral Exploration Coalition):
You have already heard from the good folks at mining how important solid water policy is to the industry and adjacent industries such as mineral exploration—I will not belabor the point. I want to thank the sponsors and the working group for bringing forward a good, well-crafted piece of legislation. We urge a yes vote on A.B. 104.

HECTOR ARREOLA (Nevada Environmental Justice Coalition):
We support A.B. 104, which tackles the urgent decline of groundwater and will protect our ecosystem and stabilize water supply. This is especially important as nearly 20 percent of Nevada's hydrographic areas have over pumped water that is withdrawn faster than it is naturally replenished. Half of Nevada's hydrographic areas exceed available supply.

To put things into perspective—if all permanent water rights were used, many basins would run dry and disproportionately affect our ecosystem, farmers, ranchers and native tribes in a State where extreme heat is accelerating. Assembly Bill 104 is a proactive solution, and we urge the committee's support.

DIANE HENRY:
I oppose A.B. 104 as I have concerns about section 16. When I first read that section, it sounded like [there would be] grant money for things like septic conversions for water quality. Without cost limits or parameters for the amount of grant funding, section 16 could destroy my neighborhood. This is a very important bill, and I am not opposed to it other than section 16, subsection 1, paragraphs (d) and (e) which address the costs that must be paid by septic owners. It could end up being a state or a local government mandate to connect to the municipal sewer system if your septic system is adversely affecting water quality, which a high concentration of septic systems in my area have begun doing.

How much of that cost will these grants fund? With low funding, this requirement could bankrupt many people in my neighborhood. The cost could be over $400,000 if you are a quarter or a half mile uphill from their sewer system. Could there be limits placed on the mandated cost and a maximum distance to an existing sewer line for the mandate? Could the bill specify an amount or percentage of total cost for the grant funding? I would support A.B. 104 if there were parameters on section 16.

I would support A.B. 104 with the proposed amendment submitted by Senators Cruz-Crawford, Scheible and Nguyen that deletes section 21.3.

ADAM SULLIVAN (State Engineer/Administrator, Division of Water Resources, State Department of Conservation and Natural Resources):
This NVWRP is not within the purview of the DWR but I'm testifying in neutral as the agency has some responsibility for making sure the parameters of the legislation we're adopting match with how we would implement the law and that the intent is met. That's how we're looking at it.

In sections 2 and 3, we do agree that the proposed amendment phrasing is better to accomplish the intent of the bill, whereas the original language could be misinterpreted. It's clear that the proposed amendments to NRS 533.370 are not intended to impact the meaning of the statute, except for the recognition of the water rights retirement programs. This is important because NRS 533.370 is one of the principal statutes that govern our review of every single application

that we receive. It's commonly referenced and important to note that there's no impact on that statute except additional recognition of this program. The same goes for NRS 533.371.

Next, with the changes throughout of replacing the word vested with adjudicated, we agree that the proposed amendment uses better wording to accomplish the intent of the bill. The DWR interprets the word "adjudicated" to mean the same thing as "decreed," which is how we would identify it in our records. In section 10, we agree that using the word "or" instead of "and" will better align with the intent of the bill and that concludes my comments.

JOE GUILD:
I am speaking as a private citizen to emphasize the point that this bill and what you have heard today are superb evidence of the need, when we deal with water issues, to take all the time it takes to create something that works.

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CHAIR CRUZ-CRAWFORD:
We got an amen from Senator Ellison. The committee also received letters in support of A.B. 104 from Kevin Moran, Environmental Defense Fund Action (Exhibit E); Laura McSwain, Water Fairness Coalition (Exhibit F); Lisa Wang, AquiSave (Exhibit G) and Mauricia M.M. Baca, The Nature Conservancy (Exhibit H). A letter in opposition (Exhibit I) was also submitted by Diane Henry.

I again want to thank everyone who was part of the bill process, including Assemblymember Anderson and Senator Pazina. I will close the bill hearing on A.B. 104. As there is no other public comment, we are adjourned at 4:45 p.m.

RESPECTFULLY SUBMITTED:

_____
Cherie Dittler,
Committee Secretary

APPROVED BY:

_____
Senator Michelee Cruz-Crawford, 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. 104	C	10	Andy Belanger/ Southern Nevada Water Authority	Proposed Amendment
A.B. 104	D	10	Andy Belanger/ Southern Nevada Water Authority	Conceptual Amendment from Senators Cruz-Crawford, Nguyen and Scheible
A.B. 104	E	21	Senator Michelee Cruz-Crawford	Kevin Moran Support Letter
A.B. 104	F	21	Senator Michelee Cruz-Crawford	Laura McSwain Support Letter
A.B. 104	G	21	Senator Michelee Cruz-Crawford	Lisa Wang Support Letter
A.B. 104	H	21	Senator Michelee Cruz-Crawford	Mauricia Baca Support Letter
A.B. 104	I	21	Senator Michelee Cruz-Crawford	Diane Henry Letter in Opposition