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ASSEMBLY BILL NO. 157—ASSEMBLYMEN WHEELER, KIRKPATRICK,  
ELLISON; FIORE, MARTIN, OSCARSON AND WOODBURY

FEBRUARY 21, 2013

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JOINT SPONSORS: SENATORS GOICOECHEA,  
GUSTAVSON AND SETTELMEYER

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Referred to Committee on Natural Resources,  
Agriculture, and Mining

SUMMARY—Revises provisions relating to water furnished by a  
municipal water system for domestic use in certain  
counties. (BDR 48-565)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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AN ACT relating to water; revising provisions relating to water  
furnished by a municipal water system for domestic use in  
certain counties; authorizing a consumer of water  
furnished by a municipal water system to drill a well for  
domestic use, use a preexisting well for that use or obtain  
alternative water service under certain circumstances;  
limiting the amount of revenue that a municipal water  
system may generate; and providing other matters  
properly relating thereto.

**Legislative Counsel’s Digest:**

1 This bill sets forth provisions relating to water service that are applicable only  
2 in a county whose population is less than 100,000 (currently counties other than  
3 Clark and Washoe Counties).  
4 Under existing law, the State Engineer may prohibit the drilling of wells for  
5 domestic use in areas where water can be furnished by an entity such as a water  
6 district or a municipality. (NRS 534.120) However, this bill authorizes certain  
7 consumers of water to drill a well for domestic use, use a preexisting well for  
8 domestic use or obtain alternative water service for domestic use if the amount  
9 charged by a municipal water system to the consumer for water for domestic use  
10 exceeds a certain amount. As used in this bill, the term “municipal water system”



11 means any water system which is operated by a municipality, water district, general  
12 improvement district or other form of local government.

13 This bill further provides that: (1) a consumer who uses a well or alternative  
14 water service as authorized by this bill must not be charged any fee or assessment  
15 relating to the use of the well or alternative water service; and (2) to the extent that  
16 a consumer uses water from the well or alternative water service for irrigation or  
17 purposes relating to landscaping, the consumer is not required to ensure that the  
18 water satisfies certain primary drinking water standards adopted by the State  
19 Environmental Commission. This bill also limits the amount of revenue that a  
20 municipal water system may generate from furnishing water for domestic use.

21 This bill further requires a municipal water system to carry forward any unused  
22 portion of a gallon or other unit of water for the benefit of a consumer until that  
23 portion is used by the consumer. Finally, this bill requires certain county officers or  
24 entities that have the authority to levy taxes or assessments to allow certain persons  
25 to inspect or copy data maintained in the records of the county which relates to  
26 compliance with this bill by a municipal water system.

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

1 **Section 1.** Chapter 534 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3 *1. Notwithstanding any other provision of law to the contrary,*  
4 *in a county whose population is less than 100,000:*

5 *(a) If a consumer of water furnished by a municipal water*  
6 *system for domestic use on a lot or parcel of 1 acre or more is*  
7 *charged:*

8 *(1) In a calendar year, an amount in excess of 25 percent*  
9 *more than the annualized monthly minimum rate charged by the*  
10 *municipal water system for that calendar year;*

11 *(2) In a calendar year, an amount in excess of 25 percent*  
12 *more than the annualized amount charged to the consumer by the*  
13 *municipal water system for any of the immediately preceding 4*  
14 *calendar years; or*

15 *(3) A monthly rate that is in excess of 10 percent more than*  
16 *the monthly rate charged to any other consumer of water for*  
17 *domestic use furnished by the municipal water system,*

18 *↳ the consumer may drill a well for domestic use, use a*  
19 *preexisting well for domestic use or obtain alternative water*  
20 *service for domestic use in addition to or to the exclusion of the*  
21 *water furnished for domestic use by the municipal water system.*

22 *(b) A consumer who uses a well or alternative water service*  
23 *pursuant to paragraph (a) must not be charged any fee or*  
24 *assessment relating to the use of the well or alternative water*  
25 *service, including, without limitation, a fee for connecting to the*  
26 *well or alternative water service.*



1 (c) To the extent that a consumer uses water from a well or  
2 alternative water service pursuant to paragraph (a) for irrigation  
3 or purposes relating to landscaping, the consumer is not required  
4 to ensure that the water complies with the primary drinking water  
5 standards adopted pursuant to NRS 445A.855.

6 (d) If the revenue generated by a municipal water system from  
7 furnishing water for domestic use exceeds 5 percent of the total  
8 revenue generated for a fiscal year after deducting the cost of  
9 furnishing the water and the amount of any reserves which may  
10 be held in accordance with generally accepted accounting  
11 principles, the municipal water system shall credit to the account  
12 of each consumer the pro rata share of the amount of the excess  
13 in accordance with the amount paid by the consumer for the  
14 water, plus interest at the legal rate of this State from the date of  
15 payment by the consumer.

16 (e) If a municipal water system charges for water based on the  
17 number of gallons or other units of water used, the municipal  
18 water system shall carry forward any unused portion of a gallon  
19 or other unit for the benefit of a consumer until that portion is  
20 used by the consumer.

21 (f) In addition to any record required to be open to public  
22 inspection pursuant to NRS 239.010, if, within 45 days after  
23 the close of a fiscal year, the board of county commissioners of the  
24 county or the officer or other entity within the county that has the  
25 authority to levy taxes or assessments within the county receives a  
26 request from a resident of the county to inspect current data  
27 maintained in the records of the county which relates to  
28 compliance with this section by a municipal water system that  
29 furnishes water within the county, the board of county  
30 commissioners, officer or other entity shall, not later than 10 days  
31 after the date on which it receives the request, allow the resident to  
32 inspect or copy the data.

33 2. As used in this section, "municipal water system" means  
34 any water system which is operated by a municipality, water  
35 district, general improvement district or other form of local  
36 government.



