ASSEMBLY BILL NO. 233–ASSEMBLYMEN KRAMER, HARDY; AND HAFEN

MARCH 1, 2019

JOINT SPONSORS: SENATORS GOICOECHEA, PARKS; AND SETTELMEYER

Referred to Committee on Natural Resources, Agriculture, and Mining

SUMMARY—Revises provisions related to water. (BDR 48-45)

FISCAL NOTE: Effect on Local Government: No. Effect on the State: No.

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to water; revising provisions governing certain assessments on water users; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under current law, a county is required to levy a special assessment annually, or at such time as needed, upon all taxable property situated within the confines of a particular water basin designated by the State Engineer to pay certain salaries and expenses of well supervisors, assistants and the Well Drillers' Advisory Board if certain license fees are not sufficient. (NRS 534.040) This bill authorizes a county to instead pay those salaries and expenses by appropriating money from the general fund of the county if the amount of the special assessment combined with all other taxes and assessments levied upon a property owner is less than the cost of collecting the special assessment.

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

Section 1. NRS 534.035 is hereby amended to read as follows: 534.035 1. In each area designated as a groundwater basin by the State Engineer pursuant to the provisions of NRS 534.030, the board of county commissioners may recommend to the State Engineer that the State Engineer establish a groundwater board. The





State Engineer shall determine whether or not a groundwater board is to be established and may direct its establishment by order.

- 2. If a groundwater board is established, the governing bodies of all the cities and towns within the designated area, the board of county commissioners of each county in which the area is located, and the governing body of any water district in which the area is included, or partly included, shall each submit a list of names of residents of the area to the Governor, who shall appoint seven members of the board. At least one member must be appointed from each list.
- 3. After the initial terms, the term of office of each member of the board is 4 years. The board shall elect one member as chair and one member as secretary to serve as such at the pleasure of the board.
- 4. The board shall maintain its headquarters at the county seat of the county in which the designated area is located, or if the area lies in more than one county, in the county seat of one of the counties in which the area is located. The board shall hold meetings at such times and places as it may determine. Special meetings may be called at any time by the secretary at the request of any four members, or by the chair, upon notice specifying the matters to be acted upon at the meeting. No matters other than those specified in the notice may be acted upon at that meeting unless all members are present and consent thereto.
- 5. A majority of the board constitutes a quorum, and the board shall act only by a majority of those present.
- 6. For each day's attendance at each meeting of the groundwater board, or for each day when services are actually performed for the groundwater board, the members are entitled to receive per diem and travel allowances provided by law. Claims for those expenses must be paid as provided in subsection [6] 7 of NRS 534.040.
- 7. The State Engineer shall not approve any application or issue any permit to drill a well, appropriate groundwater, change the place or manner of use or the point of diversion of water within the designated area, adopt any related regulations or enter any related orders until the State Engineer has conferred with the board and obtained its written advice and recommendations.
- 8. It is the intention of the Legislature that the State Engineer and the board be in agreement whenever possible, but, for the purpose of fixing responsibility to the Governor, if there is any disagreement between the State Engineer and the board, the views of the State Engineer prevail. A written report of any such disagreement must be made immediately to the Governor by the State Engineer and the board.





- 9. Any groundwater board may request from the State Engineer or any other state, county, city or district agency such technical information, data and advice as it may require to perform its functions, and the State Engineer and such other agencies shall, within the resources available to them, furnish such assistance as may be requested.
- 10. The Governor may dissolve the groundwater board by order if the Governor determines that the future activities of the board are likely to be insubstantial.
 - **Sec. 2.** 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. [The] 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 [those salaries, together with necessary expenses, including the compensation and other expenses of the Well Drillers' Advisory Board if the money available from the license fees provided for in NRS 534.140 is not sufficient to pay those costs. In 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 [the levy], 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.

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

[4. The]

- 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.
 - [5. The assessment provided for, when collected,]
- 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.
- [6.] 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 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.
 - **Sec. 3.** This act becomes effective on July 1, 2019.





