## CHAPTER.....

AN ACT relating to water; revising provisions relating to the adjudication of certain water rights; revising requirements relating to the notice of a pending determination of certain water rights; revising requirements for hydrological surveys and maps prepared by the State Engineer; revising provisions relating to a proof of appropriation; revising the time period in which a person may intervene in a determination of certain water rights; authorizing the State Engineer to make certain documents related to a determination of water rights available on the Internet; revising provisions relating to objections to certain orders of the State Engineer; requiring certain persons to pay certain costs for a hearing on objections; authorizing a district court to require parties to file a revised map under certain circumstances; and providing other matters properly relating thereto.

## **Legislative Counsel's Digest:**

Under existing law, the State Engineer is required, under certain circumstances, to determine the relative rights of various claimants to a stream or stream system in order of the importance of the stream for irrigation. (NRS 533.090) **Section 1** of this bill removes the requirement for the State Engineer to make these determinations in order of the importance of the stream for irrigation.

Existing law provides that notice that the State Engineer will begin taking proofs of appropriation to determine the relative rights of various claimants to a stream or stream system is not required until after the State Engineer gathers certain information and has certain surveys and maps prepared. (NRS 533.110) Section 2 of this bill requires instead that the notice of when the State Engineer will begin taking proofs of appropriation must be given as soon as practicable after the State Engineer grants the petition or makes his or her own order. Sections 17 and 19 of this bill make conforming changes.

Sections 3 and 4 of this bill revise the requirements relating to the hydrological surveys executed and maps prepared by the State Engineer for the determination of the water rights in a stream. Section 3 provides that the State Engineer is required to execute the surveys or prepare the maps only if necessary. Section 4 eliminates a requirement that the costs for the surveys and maps be assessed and collected from the claimants of the water rights in proportionate shares.

**Section 5** of this bill provides specifications for the information and documents which must accompany a proof of appropriation. **Section 7** of this bill provides that any proof of appropriation or accompanying map which is found to be defective must be returned to the claimant with an explanation of why the proof or map is defective. A corrected proof or map must be refiled with the State Engineer within 60 days.

Under existing law, any person who does not receive notice of the pendency of the proceedings and who has no actual knowledge may file a petition to intervene at any time prior to 6 months after the entry of the determinations of the State Engineer. (NRS 533.130) **Section 8** of this bill revises the time in which a person may intervene to any time prior to the certification of the order of determination.



Existing law requires the State Engineer, after receiving the proofs of appropriation, to prepare a preliminary order of determination regarding the rights of claimants to the water and to deliver a copy of the preliminary order to each person who has filed a proof of appropriation. (NRS 533.140) **Section 10** of this bill authorizes the State Engineer to make a copy of the preliminary order available on the Internet in lieu of sending a copy to each claimant.

Under existing law, any person claiming any interest in the water may file an objection to the preliminary order and the State Engineer must hold a hearing on the objections not less than 30 days or more than 60 days after the date notice is served on persons who are or may be affected by the objections. (NRS 533.145, 533.150) Section 12 of this bill removes the required time by which the State Engineer must hold a hearing on the objections. Section 13 of this bill requires all testimony taken at a hearing on objections to be transcribed by a certified court reporter and requires the original and one copy of the transcript to be filed with the State Engineer. Section 13 also requires the claimants objecting to the preliminary order to pay the fees and expenses of the court reporter.

As soon as practicable after the hearing on objections to the preliminary order, existing law requires the State Engineer to: (1) enter an order of determination; (2) file a certified copy of the order of determination with the court; (3) procure an order from the court setting a time for a hearing on the order of determination; and (4) publish a copy of the order of the court in a newspaper of general circulation published in each county in which the stream system or any part of the stream system is located. (NRS 533.160, 533.165) **Section 14** of this bill authorizes the State Engineer to make a copy of the order of determination available on the Internet in lieu of sending a copy to each claimant. **Section 15** of this bill requires the State Engineer to publish the order of the court in a newspaper of general circulation that is available in print in each county, instead of a newspaper of general circulation published in each county.

Under existing law, any party aggrieved or dissatisfied with the State Engineer's order of determination may file with the clerk of the district court a notice of exception to the order and, after a hearing on the order of determination, the district court must enter a decree affirming or modifying the order. (NRS 533.170, 533.185) **Section 16** of this bill authorizes the district court to require, under certain circumstances, that a revised map which accurately reflects the decree and conforms with the rules and regulations of the State Engineer be prepared and filed with the district court and the State Engineer.

Existing law requires the State Engineer to prepare an annual budget of the money estimated to be necessary to pay the expenses of each stream system or water district. (NRS 533.280) **Section 18** of this bill provides instead that the State Engineer prepare an annual budget of the money estimated to be necessary to pay the expenses of administering each stream system or water district.

EXPLANATION - Matter in **bolded italics** is new: matter between brackets formitted material is material to be omitted.

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

**Section 1.** NRS 533.090 is hereby amended to read as follows: 533.090 1. Upon a petition to the State Engineer, signed by one or more water users of any stream or stream system, requesting the determination of the relative rights of the various claimants to



the waters thereof, the State Engineer shall, if upon investigation the State Engineer finds the facts and conditions justify it, enter an order granting the petition and shall make proper arrangements to proceed with such determination.

- 2. The State Engineer shall, in the absence of such a petition requesting a determination of relative rights, enter an order for the determination of the relative rights to the use of water of any stream selected by the State Engineer. [, commencing on the streams in the order of their importance for irrigation.] As soon as practicable after the order is made and entered, the State Engineer shall proceed with such determination as provided in this chapter.
- 3. A water user upon or from any stream or body of water shall be held and deemed to be a water user upon the stream system of which such stream or body of water is a part or tributary.
  - **Sec. 2.** NRS 533.095 is hereby amended to read as follows:
- 533.095 1. As soon as practicable after the State Engineer [shall make and enter the] enters an order granting the petition or selecting the streams upon which the determination of rights is to begin, the State Engineer shall prepare a notice setting forth the fact of the entry of the order and of the pendency of the proceedings.
  - 2. The notice shall : set forth:
- (a) Name a date when the State Engineer or the State Engineer's assistants shall begin the examination.
- (b) Set forth that That all claimants to rights in the waters of the stream system are required, as provided in this chapter, to make proof of their claims [.];
- (b) The date on which the State Engineer will commence taking proofs of appropriation regarding the rights in and to the waters of the stream system;
- (c) The date by which all proofs of appropriation must be filed; and
- (d) That all proofs of appropriation must be accompanied by maps prepared in accordance with and depicting any information required pursuant to NRS 533.100 and 533.115.
- 3. The notice shall be published for a period of 4 consecutive weeks in one or more newspapers of general circulation within the boundaries of the stream system.
- 4. At or near the time of the first publication of the notice, the State Engineer shall send by mail to each person, or deliver to each person, in person, hereinafter designated as claimant, claiming rights in or to the waters of the stream system, insofar as such claimants can be reasonably ascertained, a notice equivalent in terms to the published notice setting forth the date when the



State Engineer will commence the taking of proofs, and the date prior to which proofs must be filed with the State Engineer. The notice must be mailed at least 30 days prior to the date fixed for the commencement of the taking of proofs. The date set prior to which the proofs must be filed shall not be less than 60 days from the date set for the commencement of taking proofs. The notice shall be deemed to be an order of the State Engineer as to its contents.

**Sec. 3.** NRS 533.100 is hereby amended to read as follows:

533.100 1. [At the time set in the notice, the] The State Engineer shall begin an investigation of the flow of the stream and of the ditches diverting water, and of the lands irrigated therefrom, and shall gather such other data and information as may be essential to the proper determination of the water rights in the stream.

- 2. The State Engineer shall:
- (a) Reduce his or her observations and measurements to writing.
- (b) [Execute] If necessary, execute surveys or cause them to be executed.
- (c) [Prepare,] *If necessary, prepare*, or cause to be prepared, maps from the observations of such surveys in accordance with such uniform rules and regulations as the State Engineer may adopt.
  - 3. The surveys and maps shall show with substantial accuracy:
  - (a) The course of the stream.
- (b) The location of each ditch or canal diverting water therefrom, together with the point of diversion thereof.
- (c) The area and outline of each parcel of land upon which the water of the stream has been employed for the irrigation of crops or pasture.
  - (d) The kind of culture upon each of the parcels of land.
- 4. The map shall be prepared as the surveys and observations progress, and, when completed, shall be filed and made of record in the Office of the State Engineer. Such map for original filing in the Office of the State Engineer shall , in addition to complying with any other applicable rule or regulation of the State Engineer, be on [tracing linen,] mylar, on a scale of not less than 1,000 feet to the inch.
  - **Sec. 4.** NRS 533.105 is hereby amended to read as follows:
- 533.105 [1.] If satisfactory data are available from the measurements and areas compiled by the United States Geological Survey or other persons, the State Engineer may dispense with the execution of such surveys and the preparation of such maps and stream measurements, except insofar as is necessary to prepare them



to conform with the rules and regulations, as provided in NRS 533.100.

[2. If the surveys are executed and maps are prepared and filed with the State Engineer at the instance of the person claiming a right to the use of water, the proportionate cost thereof, as determined by the State Engineer, to be assessed and collected for the adjudication of the relative rights, as provided in this chapter, shall be remitted to the claimant after the completion of the determination; but the map must conform with the rules and regulations of the State Engineer and shall be accepted only after the State Engineer is satisfied that the data shown thereon are substantially correct. Such measurements, maps and determinations shall be exhibited for inspection at the time of taking proofs and during the period during which such proofs and evidence are kept open for inspection in accordance with the provisions of this chapter.]

**Sec. 5.** NRS 533.115 is hereby amended to read as follows:

533.115 1. The State Engineer shall, in addition, enclose with the notice to be mailed as provided in NRS [533.110,] 533.095, blank forms upon which the claimant shall present in writing all particulars necessary for the determination of the claimant's right in or to the waters of the stream system. [, the statement to] The form for a proof of appropriation must include the following:

[1.] (a) The name and [post office] mailing address of the claimant.

[2.] (b) The nature of the right or use on which the claim for appropriation is based.

[3.] (c) The time of the initiation of such right, the priority date claimed and a description of the place of diversion and works of diversion and distribution.

[4.] (d) The date of beginning of construction.

(e) The date when completed.

6. The dates of beginning and completion of enlargements.

[7.] (g) The dimensions of the ditch as originally constructed and as enlarged.

[8.] (h) The date when water was first used for irrigation or other beneficial purposes. [and, if]

(i) If the water was used for irrigation, the [amount of land reclaimed] number of acres irrigated the first year, the [amount] number of acres irrigated in subsequent years, [with] the dates of [reclamation, and] irrigation, the area and location of the lands which [are intended to be] were irrigated [.



- 9. The character of the soil and the kind of crops cultivated, *the rate of diversion and* the number of acre-feet of water per annum required to irrigate the land. [, and such]
- (j) If the water was used for a beneficial purpose other than irrigation, the rate of diversion and the number of acre-feet of water used annually.
- (k) If the water was used for watering livestock, the number and type of livestock.
- (1) Any other facts as will show the extent and nature of the right and compliance with the law in acquiring the same, as may be required by the State Engineer.
- 2. A claimant must submit a separate proof of appropriation for each source of water of the stream system in which or to which the claimant claims a right.
- 3. The proof of appropriation submitted by the claimant must be accompanied by a map prepared, except as otherwise provided in subsection 4, in accordance with and depicting any information required pursuant to the requirements of subsections 3 and 4 of NRS 533.100.
- 4. If the map submitted with a proof of appropriation is prepared for water used for watering livestock, the map must be on a scale of not less than 1:24,000 or a map prepared by the United States Geological Survey covering a quadrangle of 7 1/2 minutes of latitude and longitude, and further identifying the location or extent of the livestock use by one-sixteenth sections within a numbered section, township and range.
  - **Sec. 6.** NRS 533.120 is hereby amended to read as follows:
- 533.120 1. Each claimant shall be required to certify to his or her statement under oath. [The State Engineer and the State Engineer's assistants authorized to take proofs are hereby authorized to administer such oaths.]
- 2. [Oaths shall be administered and blank] Blank forms must be furnished by the State Engineer [and the State Engineer's assistants] without charge.
  - **Sec.** 7. NRS 533.125 is hereby amended to read as follows:
- 533.125 1. The State Engineer shall commence the taking of proofs on the date fixed and named in the notice provided for in NRS [533.110] 533.095 for the commencement of the taking of proofs. The State Engineer shall proceed therewith during the period fixed by the State Engineer and named in the notice, after which no proofs shall be received by or filed by the State Engineer. The State Engineer may, in his or her discretion, for cause shown, extend the time in which proofs may be filed.



- 2. Upon neglect or refusal of any person to make proof of his or her claim or rights in or to the waters of such stream system, as required by this chapter, prior to the expiration of the period fixed by the State Engineer during which proofs may be filed, the State Engineer shall determine the right of such person from such evidence as the State Engineer may obtain or may have on file in the Office of the State Engineer in the way of maps, plats, surveys and transcripts, and exceptions to such determination may be filed in court, as provided in this chapter.
- 3. If a proof of appropriation or a supporting map is found to be defective, it shall be returned with a statement explaining why the proof or map was found to be defective. The date of the return must be marked on the proof or map and a record of the return made in the Office of the State Engineer.
- 4. A person may file a corrected proof of appropriation or supporting map with the Office of the State Engineer within 60 days after the date of return marked on the proof or map. A defective proof of appropriation or supporting map that is not properly corrected and refiled within 60 days must be rejected. Upon application for an extension of time within the 60-day period, the State Engineer may, in his or her discretion, grant an extension of time not to exceed 60 days in which the person may file the corrected proof of appropriation or supporting map.
  - **Sec. 8.** NRS 533.130 is hereby amended to read as follows:
- 533.130 1. Any person interested in the water of any stream upon whom no service of notice shall have been had of the pendency of proceedings for the determination of the relative rights to the use of water of such stream system, and who shall have no actual knowledge or notice of the pendency of the proceedings, may, at any time prior to the expiration of 6 months after the entry of the determinations of the State Engineer, file a petition to intervene in the proceedings.
- 2. Such petition shall be under oath and shall contain, among other things:
- (a) All matters required by this chapter of claimants who have been duly served with notice of the proceedings; and
- (b) A statement that the intervener had no actual knowledge of notice of the pendency of the proceedings.
- 3. Upon the filing of the petition in intervention granted by the State Engineer, the petitioner shall be allowed to intervene upon such terms as may be equitable, and thereafter shall have all rights [vouchsafed] provided by this chapter to claimants who have been duly served.



- **Sec. 9.** NRS 533.135 is hereby amended to read as follows:
- 533.135 1. At the time of submission of proofs of appropriation, [where] the [necessary maps are prepared by the State Engineer, the fee collected from any claimants must be the actual cost of the survey and the preparation of maps.
- 2. The State Engineer shall collect a fee of \$60 for a proof of water used for watering livestock [or wildlife] purposes. The State Engineer shall collect a fee of \$120 for any other character of claim to water.
- [3.] 2. All fees collected as provided in this section must be accounted for in detail and deposited with the State Treasurer into the Water Distribution Revolving Account created pursuant to NRS 532.210.
  - **Sec. 10.** NRS 533.140 is hereby amended to read as follows:
- 533.140 1. As soon as practicable after the expiration of the period fixed in which proofs *of appropriation* may be filed, the State Engineer shall assemble all proofs which have been filed with the State Engineer, and prepare, certify and have printed an abstract of all such proofs [...] of appropriation. The State Engineer shall also prepare from the proofs *of appropriation* and evidence taken or given before the State Engineer, or obtained by the State Engineer, a preliminary order of determination establishing the several rights of claimants to the waters of the stream.
- 2. [When] Except as otherwise provided in subsection 3, when the abstract of proofs of appropriation and the preliminary order of determination [is] are completed [, the]:
- (a) The State Engineer shall then prepare a notice fixing and setting a time and place when and where the evidence taken by or filed with the State Engineer and the proofs of claims must be open to the inspection of all interested persons, the period of inspection to be not less than 20 days. The notice shall be deemed an order of the State Engineer as to the matters contained therein.
- [3.] (b) A copy of the notice, together with a printed copy of the preliminary order of determination and [a printed copy of] the abstract of proofs [.] of appropriation, must be delivered by the State Engineer, or sent by registered or certified mail, at least 30 days before the first day of such period of inspection, to each person who has appeared and filed a proof [.] of appropriation, as provided in this section.
- [4.] (c) The State Engineer shall be present at the time and place designated in the notice and allow, during that period, any <del>[persons interested to inspect such evidence and proof as have been filed with or taken by the State Engineer in accordance with this chapter.]</del>



persons interested to inspect such evidence and proofs of appropriation as have been filed with or taken by the State Engineer in accordance with this chapter.

3. In lieu of sending or serving a copy of the preliminary order of determination and the abstract of proofs of appropriation pursuant to subsection 2, the State Engineer may:

(a) Make available a copy of the preliminary order of determination and the abstract of proofs of appropriation on the

Internet website of the Office of the State Engineer; and

- (b) Send by registered or certified mail or deliver in person to each person who has filed a proof of appropriation notice that the preliminary order of determination and the abstract of proofs of appropriation are available on the Internet website of the Office of the State Engineer.
  - **Sec. 11.** (Deleted by amendment.)

**Sec. 12.** NRS 533.150 is hereby amended to read as follows:

- 533.150 1. [The] Unless the claimant waives the requirement for a hearing, the State Engineer shall fix a time and place for the hearing of objections. [, which date must not be less than 30 days nor more than 60 days after the date the notice is served on the persons who are, or may be, affected thereby. The notice] Notice of the hearing may be sent by registered or certified mail to the persons to be affected by the objections, and the receipt therefor constitutes legal and valid proof of service. The notice may also be served by the State Engineer, or by any person, appointed by the State Engineer, qualified and competent to serve a summons in civil actions. Return thereof must be made in the same manner as in civil actions in the district courts of this state.
- 2. The State Engineer may adjourn hearings from time to time upon reasonable notice to all parties interested. Depositions may be taken by any person authorized to administer oaths and designated by the State Engineer or the parties in interest, and oral testimony may be introduced in all hearings.
- 3. Witnesses are entitled to receive fees as in civil cases, to be paid by the party calling those witnesses.
- 4. The evidence in the proceedings must be confined to the subjects enumerated in the objections and the preliminary order of determination.
- 5. All testimony taken at the hearings must be reported and transcribed in its entirety.
  - **Sec. 13.** NRS 533.155 is hereby amended to read as follows:
- 533.155 [The] All testimony taken at the hearings must be reported and transcribed by a certified court reporter. The original



and one copy of the transcript of the proceedings must be filed with the State Engineer. [shall require daily from each party while engaged in taking evidence on objections a deposit sufficient to pay the cost of reporting and transcribing testimony and to pay any necessary transportation and subsistence expenses of the reporter.] The claimants objecting to the preliminary order of determination shall pay, in equal portions, the fees for the appearance and travel expenses of the court reporter and for transcribing the portion of the hearing consisting of the comments of the State Engineer. Each such claimant shall pay a pro rata portion of the fees for the remaining portion of the hearing consisting of the case made by that claimant.

**Sec. 14.** NRS 533.160 is hereby amended to read as follows:

533.160 1. As soon as practicable after the hearing of objections to the preliminary order of determination, the State Engineer shall make and cause to be entered of record in the Office of the State Engineer an order of determination, defining the several rights to the waters of the stream or stream system. The order of determination, when filed with the clerk of the district court as provided in NRS 533.165, has the legal effect of a complaint in a civil action.

- 2. The order of determination must be certified by the State Engineer. [, who shall have printed as many copies of the order of determination as required. A] Except as otherwise provided in subsection 3, a copy of the order of determination must be sent by registered or certified mail or delivered in person to each person who has filed proof of claim and to each person who has become interested through intervention or through filing of objections under the provisions of NRS 533.130 or 533.145.
- 3. In lieu of sending or delivering a copy of the order of determination pursuant to subsection 2, the State Engineer may:

(a) Make available a copy of the order of determination on the Internet website of the Office of the State Engineer; and

(b) Send by registered or certified mail or deliver in person to each person who has filed a proof of appropriation and to each person who has become interested through intervention notice that the order of determination is available on the Internet website of the Office of the State Engineer.

**Sec. 15.** NRS 533.165 is hereby amended to read as follows:

533.165 1. As soon as practicable thereafter, a certified copy of the order of determination, together with the *copies of the* original evidence and transcript of testimony filed with, or taken before, the State Engineer, duly certified by the State Engineer, shall



be filed with the clerk of the county, as ex officio clerk of the district court, in which the stream system is situated, or, if in more than one county but all within one judicial district, then with the clerk of the county wherein reside the largest number of parties in interest

- 2. If such stream system shall be in two or more judicial districts, then the State Engineer shall notify the district judge of each of such judicial districts of his or her intent to file such order of determination, whereupon, within 10 days after receipt of such notice, such judges shall confer and agree where the court proceedings under this chapter shall be held and upon the judge who shall preside, and on notification thereof the State Engineer shall file the order of determination, evidence and transcripts with the clerk of the court so designated.
- 3. If such district judges fail to notify the State Engineer of their agreement, as provided in subsection 2, within 5 days after the expiration of such 10 days, then the State Engineer may file such order of determination, evidence and transcript with the clerk of any county the State Engineer may elect, and the district judge of such county shall have jurisdiction over the proceedings in relation thereto.
- 4. If the judge so selected and acting shall retire from office, or be removed from office or be disqualified, for any cause, then the judge of the district court having jurisdiction of the proceedings shall act as the judge on the matter or shall select the judge to preside in such matter.
- 5. In all instances a certified copy of the order of determination shall be filed with the county clerk of each county in which such stream system, or any part thereof, is situated.
- 6. Upon the filing of the certified copy of the order, evidence and transcript with the clerk of the court in which the proceedings are to be had, the State Engineer shall procure an order from the court setting the time for hearing. The clerk of such court shall immediately furnish the State Engineer with a certified copy thereof. The State Engineer immediately thereupon shall mail a copy of such certified order of the court, by registered or certified mail, addressed to each party in interest at the party's last known place of residence, and shall cause the same to be published at least once a week for 4 consecutive weeks in some newspaper of general circulation [published] that is available in general circulation in each county in which such stream system or any part thereof is located. The State Engineer shall file with the clerk of the court proof of such service by registered or certified mail and by publication. Such service by



registered or certified mail and by publication shall be deemed full and sufficient notice to all parties in interest of the date and purpose of such hearing.

**Sec. 16.** NRS 533.185 is hereby amended to read as follows:

533.185 *1.* After the hearing the court shall enter a decree affirming or modifying the order of the State Engineer.

- 2. If the court enters a decree holding that the water right of a claimant is different than the right claimed in the proof of appropriation filed by the claimant or determined by the State Engineer in the order of determination, the court may require the claimant to prepare and file with the court and the Office of the State Engineer a revised map which conforms to the decree and the rules and regulations of the State Engineer.
- 3. Within 30 days after the entry of final judgment by the district court, or if an appeal is taken, within 30 days after the entry of the final judgment by the appellate court or within 30 days after the entry of the final judgment after remand, the clerk of the court issuing the final judgment shall:

[1.] (a) Deliver to the State Engineer a certified copy of the final judgment; and

[2.] (b) Cause a certified copy of the final judgment to be filed in the office of the county recorder in each county in which the water adjudicated is applied to beneficial use and in each county in which the water adjudicated is diverted from its natural source.

**Sec. 17.** NRS 533.250 is hereby amended to read as follows:

- 533.250 1. Any and all maps, plats, surveys and evidence on file in the Office of the State Engineer relating to any proof of appropriation involved in the proceeding for the determination of the relative rights in and to the waters of any stream system, obtained or filed under the provisions of this chapter or any preceding act relating to the Office of State Engineer, shall be admissible in court and shall have the same force and effect as though obtained and submitted under the provisions of this chapter.
- 2. At least 90 days prior to the rendering of his or her order of determination of the relative rights in and to the waters of any stream system, the State Engineer shall notify all parties in interest of his or her intention to consider such maps, plats and evidence, and of his or her intention to submit the findings of the State Engineer to the court under the provisions of this chapter. [The notice shall be given in the manner prescribed in NRS 533.110.]
- 3. Within 60 days after such notice, any party in interest may file with the State Engineer any additional or supplementary maps, plats, surveys or evidence, or objections to the admissibility of any



evidence hitherto presented and on file in the office of the State Engineer, in relation to his or her claim of water right or adverse to the claim or claims of the water right of any other party or parties in interest, in order so to perfect his or her claim in accordance with the provisions of this chapter, and the State Engineer shall consider the whole thereof in rendering such order of determination, and the same shall become a part of the record which shall be submitted to the court as provided by NRS 533.165 to 533.235, inclusive.

**Sec. 18.** NRS 533.280 is hereby amended to read as follows:

533.280 1. The State Engineer shall, between the first Monday of October and the first Monday of December of each year, prepare a budget of the amount of money estimated to be necessary to pay the expenses of *administering* the stream system or each water district for the then current year.

- 2. The budget must show the following detail:
- (a) The aggregate amount estimated to be necessary to pay the expenses of *administering* the stream system or water district.
- (b) The aggregate water rights in the stream system or water district as determined by the State Engineer or the court.
  - (c) The unit charge necessary to provide the money required.
- (d) The charge against each water user, which must be based upon the proportion which the water right of that water user bears to the aggregate water rights in the stream system, but the minimum charge is \$1.
- 3. When the stream system lies in more than one county, a separate budget must be prepared for each county showing only the claimants and charges assessable within the county.
- 4. When the stream system irrigates more than 200,000 acres of land, the assessment for water distribution expenses must not exceed 30 cents per acre-foot of water decreed.
  - **Sec. 19.** NRS 533.110 is hereby repealed.
- Sec. 20. This act becomes effective upon passage and approval.



