

SENATE BILL NO. 81—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE DIVISION OF WATER RESOURCES)

PREFILED DECEMBER 20, 2014

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to the management and appropriation of water. (BDR 48-367)

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

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

AN ACT relating to water; revising provisions relating to the designation and regulation of groundwater basins by the State Engineer; revising provisions relating to the appropriation of water for beneficial use; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Under existing law, the State Engineer has various powers and duties with  
2 respect to the management of the water resources of this State, including the  
3 groundwater. Existing law: (1) authorizes the State Engineer to designate as a  
4 critical management area any groundwater basin or portion therein in which  
5 withdrawals of groundwater consistently exceed the perennial yield of the basin;  
6 and (2) requires the State Engineer to designate as a critical management area any  
7 groundwater basin or portion therein in which withdrawals of groundwater  
8 consistently exceed the perennial yield of the basin upon receipt of a petition for  
9 such a designation. (NRS 534.110) Existing law requires the State Engineer to  
10 designate certain areas as areas of active management, which are groundwater  
11 basins in which the State Engineer conducts close monitoring and regulation of the  
12 water supply because of heavy use. (NRS 534.011, 534.030) This bill eliminates  
13 the classification “area of active management” and renames the classification  
14 “critical management area” as “active management area.” Similar to the former  
15 designation of critical management area, **section 3** of this bill authorizes the State  
16 Engineer to designate a basin or portion therein as an active management area if the  
17 State Engineer determines that: (1) consumption of groundwater consistently  
18 exceeds the perennial yield of the basin; or (2) groundwater levels continue to  
19 unreasonably decline. **Section 3** requires the State Engineer to designate any basin  
20 or portion therein as an active management area if the State Engineer receives a  
21 petition for such a designation which is signed by appropriators of record and  
22 owners of domestic wells who account for not less than 60 percent of the combined



23 total appropriated groundwater in the basin or portion therein. Additionally, **section**  
24 **3** requires the State Engineer to rescind the designation of a groundwater basin or  
25 portion therein as an active management area if the State Engineer determines that  
26 the designation is no longer warranted. **Section 4** of this bill specifies the powers of  
27 the State Engineer in basins or portions therein that are designated as an active  
28 management area.

29 Under existing law, the State Engineer is required to supervise certain artesian  
30 water, underground aquifers and percolating water. (NRS 534.030) **Section 7** of  
31 this bill clarifies that the State Engineer is required to supervise all groundwater and  
32 wells, including domestic wells for which a permit is not required.

33 Existing law authorizes the submittal to the State Engineer of a petition for the  
34 approval of a groundwater management plan for a critical management area by a  
35 majority of the holders of permits or certificates to appropriate water. (NRS  
36 534.037) **Section 8** of this bill changes the signature requirement for such petitions  
37 to signatures from appropriators of record and owners of domestic wells who  
38 account for not less than 60 percent of the combined total appropriated groundwater  
39 in the basin or portion therein.

40 Under existing law, the State Engineer is required to hold public hearings on  
41 the designation of a basin as in need of administration and on groundwater  
42 management plans for certain basins. Depending on whether adequate facilities are  
43 available, the hearings are required to be held within the basin or in the county in  
44 which the basin lies or, if the basin lies in more than one county, within the county  
45 where the major portion of the basin lies. (NRS 534.030, 534.037) **Sections 7 and**  
46 **8** of this bill authorize the State Engineer to also hold such a hearing at the location  
47 in closest proximity to the basin where an adequate facility exists for holding a  
48 hearing.

49 Under existing law, the holder of a water right forfeits that right if the holder  
50 does not put the water to beneficial use within a certain period. However, existing  
51 law authorizes the State Engineer to extend this period and requires the State  
52 Engineer to consider certain factors when determining whether to make such an  
53 extension. (NRS 534.090) **Section 9** of this bill requires the State Engineer to  
54 consider as an additional factor in an application for an extension of time to prevent  
55 forfeiture whether the basin or portion therein where the water right is located has  
56 been designated as an active management area.

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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 the provisions set forth as sections 2, 3 and 4 of this act.

3 **Sec. 2.** *“Appropriator of record” means a holder of an*  
4 *adjudicated or unadjudicated claim of a vested right or a permit or*  
5 *certificate to appropriate water on file in the Office of the State*  
6 *Engineer.*

7 **Sec. 3. 1. The State Engineer:**

8 *(a) May designate as an active management area any basin or*  
9 *a portion therein which has been designated previously as a*  
10 *groundwater basin by the State Engineer pursuant to NRS*  
11 *534.030 and where:*



1           (1) Consumption of groundwater consistently exceeds the  
2 perennial yield of the basin; or

3           (2) Groundwater levels continue to unreasonably decline.

4           (b) Shall designate as an active management area any basin or  
5 a portion therein which has been designated previously to be in  
6 need of administration by the State Engineer pursuant to NRS  
7 534.030 upon receipt of a petition for designation as an active  
8 management area which is signed by appropriators of record and  
9 owners of domestic wells who account for not less than 60 percent  
10 of the combined total of appropriated groundwater in the basin or  
11 portion therein.

12           (c) Shall rescind the designation of a basin or portion therein  
13 as an active management area if the State Engineer determines  
14 that the conditions in the basin or portion therein no longer  
15 warrant that designation.

16           2. If a basin or portion therein has been designated as an  
17 active management area for 5 consecutive years, the State  
18 Engineer shall order that withdrawals, including, without  
19 limitation, withdrawals from domestic wells, be restricted in that  
20 basin or portion therein to conform to priority rights, unless a  
21 groundwater management plan has been approved for the basin or  
22 portion therein pursuant to NRS 534.037.

23           3. The designation of a basin or a portion therein as an active  
24 management area pursuant to this section may be appealed  
25 pursuant to NRS 533.450.

26           **Sec. 4.** In considering a groundwater management plan  
27 pursuant to NRS 534.037 for a basin or portion therein designated  
28 as an active management area pursuant to section 3 of this act and  
29 in addition to any other power granted by law, the State Engineer  
30 may approve a plan to:

31           1. Limit the quantity of water that may be withdrawn under  
32 any permit or certificate to conform to priority rights.

33           2. Exempt a water right from the requirements set forth in  
34 NRS 533.390, 533.395, 533.410 or 534.090 during the period that  
35 the plan is in effect so that any conservation practices that are  
36 implemented do not result in the cancellation or forfeiture of a  
37 water right.

38           3. Establish a fund to retire water rights or implement  
39 conservation practices. For purposes of the fund, the State  
40 Engineer may:

41           (a) Assess fees on appropriators of record of groundwater  
42 rights, owners of parcels and owners of domestic wells; and

43           (b) Receive money from any other source.

44           4. Authorize the voluntary relinquishment to the groundwater  
45 source of a portion of a groundwater right in exchange for



1 *granting an exemption on the unrelinquished portion of the*  
2 *groundwater right from any provision that requires the filing and*  
3 *approval of extensions to avoid the cancellation or forfeiture of*  
4 *the groundwater right during the period that the plan is in effect.*  
5 *Any right that is not voluntarily relinquished is not exempt from*  
6 *regulation by priority.*

7 **5. Require the filing of proofs of beneficial use pursuant to**  
8 **NRS 533.400.**

9 **6. Require the adoption of rules or regulations to further a**  
10 **groundwater management plan.**

11 **7. Request any other action reasonably related to the removal**  
12 **of the designation of an active management area.**

13 **Sec. 5.** NRS 534.010 is hereby amended to read as follows:

14 534.010 1. As used in this chapter, unless the context  
15 otherwise requires, the words and terms defined in NRS 534.0105 to  
16 534.0175, inclusive, *and section 2 of this act* have the meanings  
17 ascribed to them in those sections.

18 2. As used in this chapter, the terms “underground water” and  
19 “groundwater” are synonymous.

20 **Sec. 6.** NRS 534.011 is hereby amended to read as follows:

21 534.011 ~~{“Area of active”~~ *“Active management <sup>[2]</sup> area”*  
22 means an area:

23 1. In which the State Engineer is conducting particularly close  
24 monitoring and regulation of the water supply because of heavy use  
25 of that supply; and

26 2. Which has received that designation by the State Engineer  
27 pursuant to ~~{NRS 534.030.}~~ *section 3 of this act.*

28 **Sec. 7.** NRS 534.030 is hereby amended to read as follows:

29 534.030 1. Upon receipt by the State Engineer of a petition  
30 requesting the State Engineer to administer the provisions of this  
31 chapter as relating to designated areas, signed by not less than 40  
32 percent of the appropriators of record ~~{in the Office of the State~~  
33 ~~Engineer.}~~ in any particular basin or portion therein, the State  
34 Engineer shall:

35 (a) Cause to be made the necessary investigations to determine  
36 if such administration would be justified.

37 (b) If the findings of the State Engineer are affirmative,  
38 designate the area by basin, or portion therein, and make an official  
39 order describing the boundaries by legal subdivision as nearly as  
40 possible.

41 (c) Proceed with the administration of this chapter.

42 2. In the absence of ~~{such}~~ a petition ~~{from the owners of~~  
43 ~~wells}~~ *described in subsection 1,* in a groundwater basin which the  
44 State Engineer considers to be in need of administration, the State  
45 Engineer shall hold a public hearing:



1 (a) If adequate facilities to hold a hearing are available within  
2 the basin; or

3 (b) If such facilities are unavailable, hold the hearing within the  
4 county where the basin lies or within the county, where the major  
5 portion of the basin lies, *or at the location in closest proximity to*  
6 *the basin where an adequate facility exists for holding a hearing,*

7 ~~to take testimony from those owners~~ to determine whether  
8 administration of that basin is justified. If the basin is found, after  
9 due investigation, to be in need of administration the State Engineer  
10 may enter an order in the same manner as if a petition, as described  
11 in subsection 1, had been received.

12 3. The order of the State Engineer may be reviewed by the  
13 district court of the county pursuant to NRS 533.450.

14 4. The State Engineer shall supervise all *underground water*  
15 *and* wells ~~tapping artesian water or water in definable underground~~  
16 ~~aquifers drilled after March 22, 1913, and all wells tapping~~  
17 ~~percolating water drilled subsequent to March 25, 1939, except~~ ,  
18 *including, without limitation,* those wells for domestic purposes for  
19 which a permit is not required.

20 5. Within any groundwater basin which has been designated or  
21 which may hereafter be so designated by the State Engineer, except  
22 groundwater basins subject to the provisions of NRS 534.035, and  
23 wherein a water conservation board has been created and established  
24 or wherein a water district has been created and established by law  
25 to furnish water to an area or areas within the basin or for  
26 groundwater conservation purposes, the State Engineer, in the  
27 administration of the groundwater law, shall avail himself or herself  
28 of the services of the governing body of the water district or the  
29 water conservation board, or both of them, in an advisory capacity.  
30 The governing body or water board shall furnish such advice and  
31 assistance to the State Engineer as is necessary for the purpose of  
32 the conservation of groundwater within the areas affected. The  
33 services of the governing body or water conservation board must be  
34 without compensation from the State, and the services so rendered  
35 must be upon reasonable agreements effected with and by the State  
36 Engineer.

37 **Sec. 8.** NRS 534.037 is hereby amended to read as follows:

38 534.037 1. In a basin *or a portion therein* that has been  
39 designated as ~~a critical~~ *an active* management area by the State  
40 Engineer pursuant to ~~subsection 7 of NRS 534.110,~~ *section 3 of*  
41 *this act,* a petition for the approval of a groundwater management  
42 plan for the basin *or portion therein* may be submitted to the State  
43 Engineer. The petition must be signed by ~~a majority of the holders~~  
44 ~~of permits or certificates to appropriate water in the basin that are on~~  
45 ~~file in the Office of the State Engineer~~ *appropriators of record and*



1 *owners of domestic wells who account for not less than 60 percent*  
2 *of the combined total of appropriated groundwater in the basin or*  
3 *portion therein* and must be accompanied by a groundwater  
4 management plan which must set forth the necessary steps for  
5 ~~removal~~ *rescission* of the ~~basin's~~ designation *of the basin or*  
6 *portion therein* as ~~a critical~~ *an active* management area.

7 2. In determining whether to approve a groundwater  
8 management plan submitted pursuant to subsection 1, the State  
9 Engineer shall consider, without limitation:

- 10 (a) The hydrology of the basin;  
11 (b) The physical characteristics of the basin;  
12 (c) The geographic spacing and location of the withdrawals of  
13 groundwater in the basin;  
14 (d) The quality of the water in the basin;  
15 (e) The wells located in the basin, including, without limitation,  
16 domestic wells;  
17 (f) Whether a groundwater management plan already exists for  
18 the basin; and  
19 (g) Any other factor deemed relevant by the State Engineer.

20 3. Before approving or disapproving a groundwater  
21 management plan submitted pursuant to subsection 1, the State  
22 Engineer shall hold a public hearing to take testimony on the plan in  
23 the county where the basin lies or, if the basin lies in more than one  
24 county, within the county where the major portion of the basin lies  
25 ~~+~~ *or at the location in closest proximity to the basin where an*  
26 *adequate facility exists for holding a hearing.* The State Engineer  
27 shall cause notice of the hearing to be:

28 (a) Given once each week for 2 consecutive weeks before the  
29 hearing in a newspaper of general circulation in the county or  
30 counties in which the basin lies.

31 (b) Posted on the Internet website of the State Engineer for at  
32 least 2 consecutive weeks immediately preceding the date of the  
33 hearing.

34 4. The decision of the State Engineer on a groundwater  
35 management plan may be reviewed by the district court of the  
36 county pursuant to NRS 533.450.

37 5. An amendment to a groundwater management plan must be  
38 proposed and approved in the same manner as an original  
39 groundwater management plan is proposed and approved pursuant  
40 to this section.

41 **Sec. 9.** NRS 534.090 is hereby amended to read as follows:

42 534.090 1. Except as otherwise provided in this section ~~+~~  
43 *and section 4 of this act*, failure for 5 successive years after  
44 April 15, 1967, on the part of the holder of any right, whether it is  
45 an adjudicated right, an unadjudicated right or a right for which a



1 certificate has been issued pursuant to NRS 533.425, and further  
2 whether the right is initiated after or before March 25, 1939, to use  
3 beneficially all or any part of the underground water for the purpose  
4 for which the right is acquired or claimed, works a forfeiture of both  
5 undetermined rights and determined rights to the use of that water to  
6 the extent of the nonuse. If the records of the State Engineer or any  
7 other documents specified by the State Engineer indicate at least 4  
8 consecutive years, but less than 5 consecutive years, of nonuse of all  
9 or any part of a water right which is governed by this chapter, the  
10 State Engineer shall notify the owner of the water right, as  
11 determined in the records of the Office of the State Engineer, by  
12 registered or certified mail that the owner has 1 year after the date of  
13 the notice in which to use the water right beneficially and to provide  
14 proof of such use to the State Engineer or apply for relief pursuant  
15 to subsection 2 to avoid forfeiting the water right. If, after 1 year  
16 after the date of the notice, proof of resumption of beneficial use is  
17 not filed in the Office of the State Engineer, the State Engineer  
18 shall, unless the State Engineer has granted a request to extend  
19 the time necessary to work a forfeiture of the water right, declare the  
20 right forfeited within 30 days. Upon the forfeiture of a right to the  
21 use of groundwater, the water reverts to the public and is available  
22 for further appropriation, subject to existing rights. If, upon notice  
23 by registered or certified mail to the owner of record whose right  
24 has been declared forfeited, the owner of record fails to appeal the  
25 ruling in the manner provided for in NRS 533.450, and within the  
26 time provided for therein, the forfeiture becomes final. The failure  
27 to receive a notice pursuant to this subsection does not nullify the  
28 forfeiture or extend the time necessary to work the forfeiture of a  
29 water right.

30 2. The State Engineer may, upon the request of the holder of  
31 any right described in subsection 1, extend the time necessary to  
32 work a forfeiture under that subsection if the request is made before  
33 the expiration of the time necessary to work a forfeiture. The State  
34 Engineer may grant, upon request and for good cause shown, any  
35 number of extensions, but a single extension must not exceed 1 year.  
36 In determining whether to grant or deny a request, the State  
37 Engineer shall, among other reasons, consider:

38 (a) Whether the holder has shown good cause for the holder's  
39 failure to use all or any part of the water beneficially for the purpose  
40 for which the holder's right is acquired or claimed;

41 (b) The unavailability of water to put to a beneficial use which is  
42 beyond the control of the holder;

43 (c) Any economic conditions or natural disasters which made  
44 the holder unable to put the water to that use;



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1 (d) Any prolonged period in which precipitation in the basin  
2 where the water right is located is below the average for that basin  
3 or in which indexes that measure soil moisture show that a deficit in  
4 soil moisture has occurred in that basin;

5 (e) Whether a groundwater management plan has been approved  
6 for the basin pursuant to NRS 534.037; ~~and~~

7 (f) *Whether the basin or portion therein has been designated*  
8 *as an active management area pursuant to section 3 of this act; or*

9 (g) Whether the holder has demonstrated efficient ways of using  
10 the water for agricultural purposes, such as center-pivot irrigation.

11 ➔ The State Engineer shall notify, by registered or certified mail,  
12 the owner of the water right, as determined in the records of the  
13 Office of the State Engineer, of whether the State Engineer has  
14 granted or denied the holder's request for an extension pursuant to  
15 this subsection. If the State Engineer grants an extension pursuant to  
16 this subsection and, before the expiration of that extension, proof of  
17 resumption of beneficial use or another request for an extension is  
18 not filed in the Office of the State Engineer, the State Engineer shall  
19 declare the water right forfeited within 30 days after the expiration  
20 of the extension granted pursuant to this subsection.

21 3. If the failure to use the water pursuant to subsection 1 is  
22 because of the use of center-pivot irrigation before July 1, 1983, and  
23 such use could result in a forfeiture of a portion of a right, the State  
24 Engineer shall, by registered or certified mail, send to the owner of  
25 record a notice of intent to declare a forfeiture. The notice must  
26 provide that the owner has at least 1 year after the date of the notice  
27 to use the water beneficially or apply for additional relief pursuant  
28 to subsection 2 before forfeiture of the owner's right is declared by  
29 the State Engineer.

30 4. A right to use underground water whether it is vested or  
31 otherwise may be lost by abandonment. If the State Engineer, in  
32 investigating a groundwater source, upon which there has been a  
33 prior right, for the purpose of acting upon an application to  
34 appropriate water from the same source, is of the belief from his or  
35 her examination that an abandonment has taken place, the State  
36 Engineer shall so state in the ruling approving the application. If,  
37 upon notice by registered or certified mail to the owner of record  
38 who had the prior right, the owner of record of the prior right fails to  
39 appeal the ruling in the manner provided for in NRS 533.450, and  
40 within the time provided for therein, the alleged abandonment  
41 declaration as set forth by the State Engineer becomes final.

42 **Sec. 10.** NRS 534.110 is hereby amended to read as follows:

43 534.110 1. The State Engineer shall administer this chapter  
44 and shall prescribe all necessary regulations within the terms of this  
45 chapter for its administration.



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1 2. The State Engineer may:

2 (a) Require periodical statements of water elevations, water  
3 used, and acreage on which water was used from all ~~holders of~~  
4 ~~permits and claimants of vested rights.~~ *appropriators of record and*  
5 *owners of domestic wells.*

6 (b) Upon his or her own initiation, conduct pumping tests to  
7 determine if overpumping is indicated, to determine the specific  
8 yield of the aquifers and to determine permeability characteristics.

9 3. The State Engineer shall determine whether there is  
10 unappropriated water in the area affected and may issue permits  
11 only if the determination is affirmative. The State Engineer may  
12 require each applicant to whom a permit is issued for a well:

13 (a) For municipal, quasi-municipal or industrial use; and

14 (b) Whose reasonably expected rate of diversion is one-half  
15 cubic foot per second or more,

16 ➔ to report periodically to the State Engineer concerning the effect  
17 of that well on other previously existing wells that are located within  
18 2,500 feet of the well.

19 4. It is a condition of each appropriation of groundwater  
20 acquired under this chapter that the right of the appropriator relates  
21 to a specific quantity of water and that the right must allow for a  
22 reasonable lowering of the static water level at the appropriator's  
23 point of diversion. In determining a reasonable lowering of the static  
24 water level in a particular area, the State Engineer shall consider the  
25 economics of pumping water for the general type of crops growing  
26 and may also consider the effect of using water on the economy of  
27 the area in general.

28 5. This section does not prevent the granting of permits to  
29 applicants later in time on the ground that the diversions under the  
30 proposed later appropriations may cause the water level to be  
31 lowered at the point of diversion of a prior appropriator, so long as  
32 any protectable interests in existing domestic wells as set forth in  
33 NRS 533.024 and the rights of holders of existing appropriations  
34 can be satisfied under ~~such~~ express conditions ~~that~~ *that manage the*  
35 *appropriation and do not conflict with existing rights.* At the time a  
36 permit is granted for a well:

37 (a) For municipal, quasi-municipal or industrial use; and

38 (b) Whose reasonably expected rate of diversion is one-half  
39 cubic foot per second or more,

40 ➔ the State Engineer shall include as a condition of the permit that  
41 pumping water pursuant to the permit may be limited or prohibited  
42 to prevent any unreasonable adverse effects on an existing domestic  
43 well located within 2,500 feet of the well, unless the holder of the  
44 permit and the owner of the domestic well have agreed to alternative  
45 measures that mitigate those adverse effects.



1       6. ~~{Except as otherwise provided in subsection 7,}~~  
2 *Notwithstanding the provisions of section 3 of this act,* the State  
3 Engineer shall conduct investigations in any basin or portion thereof  
4 where it appears that the average annual replenishment to the  
5 groundwater supply may not be adequate for the needs of all  
6 ~~{permittees and all vested right claimants,}~~ *appropriators of record*  
7 *and owners of domestic wells* and if the findings of the State  
8 Engineer so indicate, the State Engineer may order that withdrawals,  
9 including, without limitation, withdrawals from domestic wells, be  
10 restricted to conform to priority rights.

11       7. ~~{The State Engineer:~~  
12 ~~—(a) May designate as a critical management area any basin in~~  
13 ~~which withdrawals of groundwater consistently exceed the perennial~~  
14 ~~yield of the basin.~~  
15 ~~—(b) Shall designate as a critical management area any basin in~~  
16 ~~which withdrawals of groundwater consistently exceed the perennial~~  
17 ~~yield of the basin upon receipt of a petition for such a designation~~  
18 ~~which is signed by a majority of the holders of certificates or~~  
19 ~~permits to appropriate water in the basin that are on file in the Office~~  
20 ~~of the State Engineer.~~

21 ~~→ The designation of a basin as a critical management area pursuant~~  
22 ~~to this subsection may be appealed pursuant to NRS 533.450. If a~~  
23 ~~basin has been designated as a critical management area for at least~~  
24 ~~10 consecutive years, the State Engineer shall order that~~  
25 ~~withdrawals, including, without limitation, withdrawals from~~  
26 ~~domestic wells, be restricted in that basin to conform to priority~~  
27 ~~rights, unless a groundwater management plan has been approved~~  
28 ~~for the basin pursuant to NRS 534.037.~~

29 ~~—8.}~~ In any basin or portion thereof in the State designated by  
30 the State Engineer, the State Engineer may restrict drilling of wells  
31 in any portion thereof if the State Engineer determines that  
32 additional wells would cause an undue interference with existing  
33 wells. Any order or decision of the State Engineer so restricting  
34 drilling of such wells may be reviewed by the district court of the  
35 county pursuant to NRS 533.450.

36       **Sec. 11.** NRS 534.250 is hereby amended to read as follows:

37       534.250 1. Any person desiring to operate a project must first  
38 make an application to, and obtain from, the State Engineer a permit  
39 to operate such a project.

40       2. The State Engineer shall, upon application, issue a permit to  
41 operate a project if the State Engineer determines that:

42       (a) The applicant has the technical and financial capability to  
43 construct and operate a project.

44       (b) The applicant has a right to use the proposed source of water  
45 for recharge pursuant to an approved appropriation consistent with



1 this chapter and chapter 533 of NRS. Any determination made by  
2 the State Engineer for purposes of this paragraph is not binding in  
3 any other proceeding.

4 (c) The project is hydrologically feasible.

5 (d) ~~If the project is in an area of active management, the project~~  
6 ~~is consistent with the program of augmentation for that area.~~

7 ~~—(e)~~ The project will not cause harm to users of land or other  
8 water within the area of hydrologic effect of the project.

9 3. The holder of a permit may apply to the State Engineer for  
10 approval to assign the permit to another person. The State Engineer  
11 must approve the assignment if the person to whom the permit is to  
12 be assigned will meet the requirements of paragraphs (a) and (b) of  
13 subsection 2 when the assignment is completed.

14 4. A permit for a project must include:

15 (a) The name and mailing address of the person to whom the  
16 permit is issued.

17 (b) The name of the ~~area of active management,~~ groundwater  
18 basin or groundwater sub-basin, as applicable, in which the project  
19 will be located.

20 (c) The capacity and plan of operation of the project.

21 (d) Any monitoring program required pursuant to subsection 5.

22 (e) Any conditions which are imposed pursuant to this chapter  
23 or any regulation adopted pursuant thereto.

24 (f) Any other information which the State Engineer deems  
25 necessary to include.

26 5. The State Engineer shall require the holder of a permit to  
27 monitor the operation of the project and the effect of the project on  
28 users of land and other water within the area of hydrologic effect of  
29 the project. In determining any monitoring requirements, the State  
30 Engineer shall cooperate with all government entities which regulate  
31 or monitor, or both, the quality of water.

32 6. The State Engineer, on his or her initiative or at the request  
33 of the holder of the permit, may modify the conditions of the permit  
34 if monitoring demonstrates that modifications are necessary. In  
35 determining whether modifications are necessary, the State Engineer  
36 shall consider uses of land or water which were not in existence  
37 when the permit was issued.

38 **Sec. 12.** NRS 534.260 is hereby amended to read as follows:

39 534.260 The State Engineer shall prescribe and furnish  
40 guidelines for an application for a permit for a project. The  
41 application must include:

42 1. A fee for application of \$2,500;

43 2. The name and mailing address of the applicant;



- 1       3. The name of the ~~area of active management,~~ groundwater
- 2 basin or groundwater sub-basin, as applicable, in which the
- 3 applicant proposes to operate the project;
- 4       4. The name and mailing address of the owner of the land on
- 5 which the applicant proposes to operate the project;
- 6       5. The legal description of the location of the proposed project;
- 7       6. Such evidence of financial and technical capability as the
- 8 State Engineer requires;
- 9       7. The source, quality and annual quantity of water proposed to
- 10 be recharged, and the quality of the receiving water;
- 11       8. The legal basis for acquiring and using the water proposed to
- 12 be recharged;
- 13       9. A description of the proposed project including its capacity
- 14 and plan of operation;
- 15       10. A copy of a study that demonstrates:
- 16       (a) The area of hydrologic effect of the project;
- 17       (b) That the project is hydrologically feasible;
- 18       (c) That the project will not cause harm to users of land and
- 19 water within the area of hydrologic effect; and
- 20       (d) The percentage of recoverable water;
- 21       11. The proposed duration of the permit; and
- 22       12. Any other information which the State Engineer requires.
- 23       **Sec. 13.** (Deleted by amendment.)
- 24       **Sec. 14.** NRS 534.340 is hereby repealed.
- 25       **Sec. 15.** This act becomes effective on July 1, 2015.

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**TEXT OF REPEALED SECTION**

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**534.340 Project for recharge, storage and recovery of water: Designation of areas of active management.** The State Engineer shall designate areas of active management pursuant to NRS 534.030.

