



Legislative Update

BDR = Bill Draft Requests
NELIS: Resource for Everything
Happening in the Legislature

 **Water Strategy Group**
 Nevada Natural Resource Policy Experts

SB = Senate Bill | AB = Assembly Bill
Legislative Committees
 ➤ [Assembly Natural Resources](#)
 ➤ [Senate Natural Resources](#)

About the Legislative Update

This report, compiled by the Water Strategy Group (WSG) and Meridian Nevada, is regularly updated with current and forthcoming legislative proposals in the 2025 Nevada Legislative Session which may impact the businesses and industries we engage with daily.

Overall Legislative Schedule

Date	Day	Key Legislative Task
11-Apr	Fri	Committee Passage (First House)
22-Apr	Tue	First House Passage
1-May	Thu	Economic Forum Report Due
5-May	Mon	Start Resolving Budget Differences
16-May	Fri	Committee Passage (Second House)
17-May	Sat	Finish Budget Differences
23-May	Fri	Second House Passage
28-May	Wed	Budget Bills Introduced and Exempt Bills from Committee

Select Bill Summaries

This section covers bills of primary interest, as of the date of this report, with a more comprehensive tracking table included in Exhibit 1.

[AB9](#)

Under [NRS 533.0243](#), a person is already allowed to temporarily convert agricultural water rights for wildlife purposes or to improve the flow quality of water for up to 3 years, which may be extended in increments of up to 3 years at a time. This bill would allow for temporary conversions of up to 5 years with 5-year extensions. See below and Exhibit 3 for additional information on the version will be sent to the Senate as amended.

[AB419](#)

This bill would among other things, require State Engineer comply with Administrative Procedures Act for adopting regulations. Other proposals in this bill include would require new regulations to establish a pre-application review process, reductions in the amount of time allowed for approving or rejecting certain applications, and a requirement for the State Engineer to issue preliminary determinations on certain applications. Another proposed change in this bill would revise provisions relating to judicial review decisions by the State Engineer. A major change proposed in this bill would remove a statutory requirement in [NRS 533.450](#) that orders and decisions of the State Engineer are prima facie correct.

[SB342](#)

This bill proposes statutory changes in authorizing the State Engineer to coordinate with persons seeking to retire relinquished water rights. It also proposes to eliminate the requirement to vacate (i.e. reset) the priority date when

rescinding the cancellation of water right permit. An amended version of the bill was presented during the Apr. 3rd hearing, which also included a provision to allow up to 60 days (instead of the current 30 days) in which to file a petition for judicial review of State Engineer decisions.

[AB385](#)

This bill focuses on Clark County and would prevent the governing body from taking action to prohibit or limit the use of a cooling tower system for certain projects for which the governing body must issue a permit and authorizes the establishment of an exemption in the building code for such projects. Based on discussions with bill sponsor last week, this bill will not get a hearing and thus will die on Apr. 11th.

[AB109](#)

This bill proposes to eliminate the geothermal production exemption (for non-consumptive use water rights) in [NRS 534A](#), shifting the exemption to geothermal exploration only. It would require the State Engineer to review dissolved mineral exploration projects submitted through NDOM. During the Nevada Mining Association (NVMA) public policy meeting last week it was noted that this bill would NOT get a hearing, with the sponsor intending to work on this concept during the interim.

[SB31](#)

In 2017, [NRS 533.087](#) was adopted to require a date of December 31, 2027 in which a claimant of any vested water right must file proof, otherwise such claim would be considered abandoned. SB31 was proposed by the State Engineer to exempt the Federal Government from the deadline for filing reserved or vested claims before the 2027 cutoff.

[AB134](#)

This bill would allow the holder of a perfected water right to file a water conservation plan and establish provisions relating to water conservation plans. It prohibits a person holding a perfected right that is subject to a conservation plan from changing the place of diversion, the manner and place of use of the perfected right during the term of the plan. Lastly, it prohibits abandonment and forfeiture procedures on perfected rights subject to conservation plan.

[AB104](#) / [SB36](#)

These are related bills that propose the creation of a 'Nevada Water Buy-Back Initiative' and Advisory Committee for retiring water rights with the program sunset in 2035. As written, these bills would require the State Engineer to reject groundwater right applications if the groundwater has been retired, which may apply to the entire basin. See below for more details on AB104.

[AB190](#)

This bill seeks to create a fund for Hydrologic Studies in rural counties when the State Engineer determines that such a study is required to support their review of certain water right applications. It would require the State Engineer to make a grant to 'Account for Studies Concerning Water' under [NRS 533.369](#). The applicant may pay the remaining cost of the study or withdraw their application and receive a refund.

Weekly Highlights

The 83rd Nevada Legislative Session began on Monday, February 3, 2025. Each week, WSG will use this section to describe certain developments within and interpretations of select bills that will help each client assess potential implications to their business and to help determine if any WSG client should plan on taking a public position in support of or against a bill and/or proposed amendment.

During this past week, WSG received an email correspondence from Senator Scheible that included a bill review by the LCB, see Exhibit 3. WSG confirmed last week NDWR still intends to move forward with the 2027 deadline and federal exemption for filing vested claims. As shown in Exhibit 1, the bill is scheduled for a work session on Apr. 8th. WSG is working with attorneys at Taggart & Taggart on an amendment that would propose the following:

1. Extending the deadline for filing (all) vested claims from 2027 to 2037,
2. Clarifying that claims filed before the deadline can be amended (based on Eureka County proposal), and
3. Recommending an interim study to evaluate changes to [NRS 533.087 – 533.320](#) with the primary objectives being streamlining the adjudication process and developing a provision by which the State Engineer could initiate adjudications (potentially statewide) such that the McCarran Act could be triggered, thereby putting the Fed. Government on a level playing field with private claimants in Nevada.

Based on the outcome of the Apr. 8th work session for this bill, WSG intends to have our proposed amendment ready for the Assembly.

[Tracking Table](#)

A detailed (hyperlinked) tracking table is attached to this report ([see Exhibit 1](#)). One of the main objectives for this report is to inform on BDRs initially targeted for review and consideration as to how they may affect WSG clients. As details emerge and hearings are completed, some of these bills will be removed from the tracking table unless a client requests them to remain or be added back. Each week the Exhibit 1 tracking table is highlighted with red text when updates, additions or changes are made. Last week saw a

handful of new bills drop due to the introduction deadline that has now passed.

AB363 Background

This is the third session in a row that a bill has been introduced attempting to create/modify statutes pertaining to the creation of local groundwater boards. A few weeks ago we included a comparison between the current bill and SB180 from the 2023 Session.

AB9 Background

WSG has no problem with special statutory measures to help protect wildlife in certain circumstances. However, temporary conversions are not defined in statute and the State Engineer is supposed to follow applicable statutes. This bill creates uncertainty in terms of how these conversions are to be processed and what happens at the end of the undefined 'conversion' process, among other things. This bill highlights the need for a simple and minor change to [NRS 533.345](#) that would allow for temporary changes to existing water rights for ALL MANNERS OF USE for up to 5 years. This is precisely the change that was being pursued in a proposed amended version of AB90 from the 2023 Legislative Session. It was noted during the NvMA Public Policy meeting last week that 'there was still work to be done' on this bill. Anticipate getting more details during the NvMA Water Working Group meeting on Mon. Apr. 7th. WSG would like to attach 5-yr temporary change language (above) once this gets a hearing in the Senate.

AB134 Background

This bill allows holders of perfected (i.e. certificated) rights to not use their water for up to 10 years if they submit and receive approval for a 'water conservation plan.' Even worse, those perfected rights not being used under a 'conservation plan' can't file change applications. Typically, when working in basins for a project that needs to acquire existing water rights, one of the first things we examine are perfected rights not being used. If this bill passes as written, WSG is concerned that people can use this 'conservation plan' concept to hold certain areas (with no options to obtain new water rights) hostage in the name of 'conservation.' Again, this is counter to what we believe should be the number one priority of the State Engineer, which is maximizing beneficial use.

AB104 / SB36 Background

During WSG's participation in a legislative stakeholder group that developed the language for this bill, we expressed concern with language in Section 2 that essentially ties the hands of the State Engineer when considering applications in basins where water rights have been retired. Naturally, the Environmental NGOs in this group love the language, but those of us who advocate for maximizing beneficial use see a problem. In our opinion, if a previously over-pumped basin is

brought back into balance by retirements and water resources are available for appropriation (i.e. due to new science supporting higher water availability), then the State Engineer should be able to process those applications in accordance with [NRS 533.370](#). Fortunately, in both bill versions that passed their respective houses, Section 2 was revised as recommended by WSG.

Most of the testimony for AB104 and SB36 was in support of the bills as amended, with only one testimony in opposition for both. It is interesting to note that the 'buy-back' program contemplated in AB104 is being modeled after the [2024 Nevada Water Conservation and Infrastructure Initiative](#), where \$25 million in federal grants were used to fund groundwater retirements from willing parties. However, as shown in a recent [DRI presentation](#) at the 2025 [NWRA Conference](#), only 47% of the groundwater retired as part of the 2024 program was actually 'wet water', which means that private entities were paid with federal tax dollars to retire water rights being utilized at less than 50%. This rather embarrassing fact was never mentioned during the AB104 and SB36 hearings.

AB419 Background

While well intended, this bill as introduced and (pending) amended, would place a substantially expanded regulatory burden on the State Engineer's Office. The bill is scheduled for a hearing on Apr. 9th. Included in Exhibit 3 is a detailed bill review prepared by the Nevada Division of Water Resources (NDWR) with an estimated \$24M fiscal note. Based on WSG conversations with the bill promoter and sponsor, they intend to highlight some of the challenges at NDWR in terms of inconsistent decisions and lack of transparency. This could be a contentious hearing.



2014 Pump testing a new irrigation well in Big Smoky Valley (McLeod Ranch)

SB31 Background

WSG commented extensively on this bill and our opposition in our March 9th (Week 5) report. Also in opposition was Eureka County, which presented an interesting amendment that clarified that all claims filed prior to 12/31/2027 could still be amended after that date. However, Eureka County's amendment still supported Federal Govt. exemption. WSG

is still working with a group of stakeholders on possibly eliminating the 2027 deadline in the existing statute for all claimants.

Recent Meetings & Hearings

The following hyperlinked table can be used to quickly access meeting and hearing details from the prior week on the Nevada Legislative website. For a summary of each (tracked) bill hearing, summarized notes are provided in Exhibit 2.

<u>DATE</u>	<u>BILL</u>	<u>BILL MEETING & HEARING HEADLINE (See EXHIBIT 2)</u>	<u>Result</u>
31-Mar	AB429	Hearing on AB429 - Relating to Easements	Heard
31-Mar	AB104	Work Session on AB104 - Revises provisions related to water rights retirements.	Amended and Passed
1-Apr	SB6	Work Session on SB6 - Cloud Seeding	Passed without Amendment
1-Apr	SB36	Work Session on SB36 - Seeks to establish a groundwater rights buy-back / retirement program.	Amended and Passed
1-Apr	SB286	Work Session on SB286 - state policy relating to tribal expertise and knowledge of public lands.	Passed Without Amendment
3-Apr	SB342	Hearing on SB342 - Seeks to eliminate the resetting of priority dates on canceled water right permits and extends timelines for petitioning a State Engineer decision.	Heard
3-Apr	SB143	Hearing on SB143 - requesting a study by Interim NR on artificial turf and synthetic grass	Heard

Upcoming Meetings / Hearings

<u>DATE</u>	<u>DAY</u>	<u>BILL HEARING LINK</u>
8-Apr	Tuesday	Work Session on SB31 - adjudicating vested water rights
8-Apr	Tuesday	Work Session on SB276 - requires gov entities to provide certain notification when applying for a permit to discharge water into a water of the state.
9-Apr	Wednesday	Hearing on AB419 - revises provisions relating to applications of water rights
9-Apr	Wednesday	Work Session on AB429 - regarding easements for conservation

WSG Clients

WSG strives to avoid conflicts of interest, which requires transparent communications regarding our work in the Legislature and the clients we are representing. Below is a summary of each of the business entities associated with WSG's lobbying activities during the Legislative Session.

[Gold Standard Ventures \(US\) Inc. \(Orla Mining\)](#)

Gold Standard Ventures (US) Inc. (GSV) was acquired by Orla Mining in 2022. Orla Mining (Orla) is an emerging, growth-oriented, low-cost, mid-tier gold producer. GSV/Orla is in the feasibility and permitting stages of an open pit, heap leach project located on the prolific Carlin trend in Elko County Nevada. Specifically, the GSV/Orla team is pursuing development of the South Railroad Project, which is a low-complexity project with robust economics, situated on a highly prospective land package known as the South Carlin Complex that would support open pit mining and heap leach production from the Dark Star and Pinion deposits over an eight-year mine life.

[Mason Resources \(Hudbay Minerals Inc\)](#)

The Mason project is a large greenfield copper deposit located in the historic Yerington District of Nevada and is one of the largest undeveloped copper porphyry deposits in North America. The Mason deposit is a large tonnage, copper-molybdenum deposit and is planned to be a traditional open pit shovel/truck operation with a copper sulphide mineral processing plant producing commercial grade copper and molybdenum concentrate. The plant is designed to operate at a throughput rate of 120,000 tonnes per day.

[Singatse Peak Services \(Lion Copper and Gold\)](#)

Singatse Peak Services (SPS) is a subsidiary of Lion Copper and Gold (LCG) and is in various stages of project exploration, evaluation and permitting a handful of projects within their larger Mason Valley project portfolio, which includes financial backing from Rio Tinto. Mason Valley is the site of a large, historic copper camp in a premier jurisdiction 50 miles southeast of Reno. The MacArthur Project represents the advancement of a large oxide copper deposit. The Yerington Project includes 11 square miles of patented claims and fee mineral properties centered on a former open pit copper mine.

BTAZ Nevada LLC

BTAZ Nevada (BTAZ) is one of the largest agricultural producers in the state, operating within six Nevada counties. BTAZ owns approximately 32,500 acres of private land associated with its farming operations and possesses grazing permits on nearly 3.6 million acres of public (BLM and Forest Service) land. BTAZ manages up to 15,000 head of cattle and maintains nearly 300 active surface and groundwater rights in Nevada.

Flying M Ranch (dba The Rose of Snowville)

The Flying M Ranch is situated in the Lower Humboldt River Region near Imlay. This large ranching operation includes three BLM Grazing Allotments spanning 881 mi² and nearly 23,000 acres of private land supporting up to 2,500 head of cattle. The livestock operation is supported by 68 surface water rights and 39 groundwater rights for stockwater. Additionally, the Flying M Ranch owns 3,527 acre-ft of decreed Humboldt River rights for irrigation on 2,410 acres of land, which includes 2,530 acre-ft of some of the most senior decreed rights on the river with 1863 and 1864 priority dates.



[Dixon Hydrologic, PLLC](#)

Meridian Nevada

WSG works closely with [Meridian Nevada](#), which specializes in strategic consulting services for businesses, organizations, and agencies that are looking to thrive and make a lasting impact in the upcoming legislative session. Meridian provides robust experience in navigating the complex legislative process at the local, state, and federal levels. Their expertise in forming and maintaining legislative relationships is invaluable.

Lobbying Approach

WSG was created to provide a unique option for water resource policy advocacy based on decades of actual technical experience in the application of Nevada water policy in the development and management of water resources throughout the State. WSG's positions are driven by science, not politics. Our overarching goal at WSG is to maximize the beneficial use of Nevada's water resources to maintain and grow Nevada's economy while protecting existing rights and environmental resources.

Water resources play a critical role in all the existing businesses and projects being associated with WSG's clients. Our clients generally share many common objectives, which will guide our lobbying efforts during this Legislative Session. These objectives can be summarized as follows:

1. Maintaining a fair and reliable regulatory framework in Nevada that is supportive of the extractive mineral, agricultural, and energy industries.
2. Help develop and support legislation that provides added efficiencies in Nevada's permitting and regulatory processes.
3. Monitor and participate in select legislative proposals and bills that support the companies' project objectives and help modify or eliminate bills that may conflict with those objectives.
4. Remain actively engaged in legislative processes in the promotion of bills that help ensure timely and reliable access to and beneficial use of Nevada's water resources in support of project exploration, development, and operational objectives.

WSG Background

While we are considered 'paid lobbyists', this is not our full-time job. Jay Dixon and his associates are Professional Engineers and Water Rights Specialists who make a living designing and permitting water infrastructure with a focus on the sustainable and beneficial use of Nevada's water resources for maximizing economic output.

Industry Focused



Mining



Agriculture



Energy



Public Works | Municipal

EXHIBIT 1 -
Weekly Legislative Tracking Table

In-Session Tracking (Select Water Bills)

Updated on 4/6/25

BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
Water Resources Bills						
17-10	SB143	Senator Nguyen	Provisions relating to water.	AN ACT relating to natural resources; authorizing the Joint Interim Standing Committee on Natural Resources to evaluate and review issues relating to water conservation; requiring the NDEP and DCNR to conduct an interim study on artificial turf and synthetic grass; and providing other matters properly relating thereto.	Will monitor and consider after first hearing.	Referred to Senate Legislative Operations and Election Committee -- HEARD ON THURSDAY, 4-3-25
48-391	AB9	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Revises provisions governing the temporary conversion of agricultural water.	Under existing law, a person or entity may apply to temporarily convert agricultural water rights for wildlife purposes or to improve the quality or flow of water for a duration not to exceed 3 years and a temporary conversion may be extended in increments not to exceed 3 years in duration each. (NRS 533.0243) This bill instead provides that a temporary conversion of agricultural water rights may not exceed 5 years in duration and may be extended in increments that may not exceed 5 years in duration each.	The bill sponsor has continued working with the Great Basin Water Network and Eureka County to improve what was initially introduced as a 'sloppy' amendment according to the State Engineer. WSG and the State Engineer testified in opposition. WSG recommended a simple alternative based on a proposed amendment to AB90 from the 2023 Session. This bill was amended and passed out of 1st Committee.	Referred to Assembly Natural Resources -- HEARD ON MONDAY, FEBRUARY 24, 2025 // WORK SESSIONED MONDAY, MARCH 24, 2025: Amended and Passed
22-407	AB10	Assembly Committee on Government Affairs	Revises provisions relating to local improvement projects.	Related to local improvement projects; authorizing any county, city or town to repair a private water or sewer system that is owned by a common-interest community as part of a neighborhood improvement project; and providing other matters properly relating thereto.	Will continue monitoring; neutral.	Referred to Assembly Government Affairs -- HEARD ON TUESDAY, FEBRUARY 18, 2024 ***needs a Work Session by Friday, April 11, 2025 to stay alive

BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
Water Resources Bills						
48-261	AB26	Division of Water Resources	Revises various provisions relating to dams.	Proposes exemption from liability for certain damages, revises provisions relating to construction or alteration of certain dams, exempts certain works under certain Federal jurisdictions, requires certain dam applications be made available to NDOW, authorizes State Engineer to enter certain parcels, revises provisions relating to dam removal and removal of certain animals interfering with flow, provides certain penalties relating thereto.	WSG remains supportive of this bill.	Referred to Assembly Natural Resources -- HEARD ON WEDNESDAY, FEBRUARY 12, 2025 // WORK SESSIONED ON WEDNESDAY, MARCH 26, 2025: Amended and Passed
48-383	AB104	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Revises provisions relating to water right retirements.	Would require the State Engineer to retire certain water rights; revising provisions relating temporary permits to appropriate groundwater; creating the Nevada Conservation and Recreation Program; creating the Account for Retiring Water Rights; establishing the Nevada Voluntary Water Rights Retirement Program and the Advisory Committee for the Nevada Voluntary Water Rights Retirement Program.	As explained in earlier reports, WSG was able to broker a major (fix) to this bill with the removal of certain language in Sections 2 and 3. As of right now this bill has a fiscal note so it's fate is uncertain. Passed out of 1st Committee.	Referred to Assembly Natural Resources -- HEARD MONDAY, FEBRUARY 24, 2025 // WORK SESSIONED ON MONDAY, MARCH 31, 2025: Amend and Do Pass
48-212	AB109	Assembly-woman La Rue Hatch	Provisions relating to water.	Relating to water; revising provisions governing the appropriation of water for geothermal wells or dissolved mineral resources; and providing other matters properly relating thereto.	BAD BILL! Proposes to eliminate geothermal <u>production</u> exemption (for non-consumptive use water rights) shifting exemption to geothermal <u>exploration</u> only. Requires State Engineer review of dissolved mineral exploration projects submitted through NDOM. WSG was provided with an amendment preview being considered by sponsor. THE AMENDMENT IS STILL UNWORKABLE. See Exhibit 3.	Referred to Assembly Natural Resources -- NO HEARING SCHEDULED YET *** Bill already given an exemption meaning it is not subject to deadlines

BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
Water Resources Bills						
48-586	AB132	Assemblyman Yurek	Revises provisions relating to water.	Proposes to update requirements for wildlife guzzlers to increase capacity (from 20k gal. to 40k gal. and max. allowable pipeline distance from 0.25 to 0.5 miles.	WSG testified in support of this bill.	Referred to Assembly Natural Resources -- HEARD ON WEDNESDAY, MARCH 12, 2025 // WORK SESSIONED ON WEDNESDAY, MARCH 26, 2025: Passed without any amendments NOW SCHEDULED FOR 2ND READ
48-379	AB134	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Makes certain changes relating to water conservation.	AN ACT relating to water; authorizing the holder of a perfected water right to file a water conservation plan and establishing provisions relating to water conservation plans. Prohibits a person holding a perfected right that is subject to a conservation plan from changing the place of diversion, manner and place of use of perfected right during term of the plan. Prohibits abandonment and forfeiture procedures on perfected rights subject to conversation plan.	<u>This will effect many WSG clients.</u> While WSG promotes maximizing beneficial, we are supportive of water conservation in certain cases. This bill creates concern that a water conservation plan could be leveraged to prevent other beneficial uses in an area where a holder of a perfected right could be subject to forfeiture (with appropriate notification). This creates potential for abuse of water law.	Referred to Assembly Natural Resources -- NO HEARING SCHEDULED YET // AB134 was given an exemption and is not subject to normal deadlines.
48-886	AB190	Assemblyman Gurr	Revises provisions relating to water.	Seeks to create a fund for Hydrologic Studies in rural counties when the State Engineer determines that such a study is required to support their review of certain water right applications.	WSG is supportive of intent, but this will require a potentially large fiscal note. This bill may be viewed as a way for certain project proponents to gain access to public funds when they are seeking to obtain water rights for large prospective developments that would require hydrologic studies.	Referred to Assembly Natural Resources -- NO HEARING SCHEDULED YET // AB190 given an exemption and is not subject to normal deadlines.
48-887	AB265	Assemblyman Gurr	Revises provisions relating to water.	Proposes strict time limits on the State Engineer to process applications, extensions of time, proof of completion/beneficial use and processing of reports of conveyance.	WSG is supportive but this bill presents enormous challenges for the State Engineer (to comply) without significantly more resources. See Exhibit 3 for NDWR details on \$28M fiscal note.	Referred to Assembly Natural Resources -- NO HEARING SCHEDULED YET // AB265 given an exemption and not subject to normal deadlines.

BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
Water Resources Bills						
48-385	AB363	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Revises provisions relating to groundwater boards.	Similar bill that has failed in the prior two Sessions. Under this proposal, a county—or multiple counties sharing a groundwater basin—may request that the State Engineer establish an advisory-only groundwater board tasked with providing written advice and recommendations on reducing over-pumping and managing the basin sustainably. The board's recommendations are not binding on the State Engineer, and any disagreement between the board and the State Engineer does not serve as grounds for legal action.	WSG is neutral, but agrees with the opposition remarks by SNWA; see Exhibit 2 hearing notes	Referred to Assembly Natural Resources -- HEARD ON WEDNESDAY, MARCH 19, 2025 // AB363 was given and exemption and not subject to normal deadlines.
22-851	AB385	Assemblywoman Cole	Revises provisions relating to governmental administration.	AN ACT relating to governmental administration; prohibiting the governing body of certain counties and cities from taking certain actions to prohibit the use of cooling towers which use water for certain projects.	WSG is currently working on a plan to be fully engaged in this bill, which would provides an alternative to certain overreaching limits that SNWA has put in place in Clark County.	Referred to Committee on Government Affairs. ***BASED ON DISCUSSIONS WITH THE BILL SPONSOR, WILL NOT BE HEARD AND DIE ON 4-11-25
48-736	AB419	Assemblyman DeLong	Revises provisions relating to applications concerning water rights.	Would require State Engineer to adopt regulations to establish a pre-application review process; requiring the State Engineer to issue a preliminary determination on certain applications and protests to such applications to appropriate water and for permits to operate projects for the recharge, storage and recovery of water; setting forth procedures to file an objection to a preliminary determination and requiring, with certain exceptions, a hearing to be held regarding a filed objection; requiring the State Engineer to prepare and submit a biennial report to the Legislature relating to certain applications pending approval by the State Engineer; revising provisions relating to judicial review of certain orders and decisions of the State Engineer; revising provisions relating to the approval or rejection of certain applications for the appropriation of public water and certain permits to operate projects for the recharge, storage and recovery of water; making the State Engineer subject to the Nevada Administrative Procedure Act for purposes of adopting regulations and certain provisions governing the adjudication of contested cases. See Exhibit 3 for NDWR details on \$24M fiscal note.		Referred to Assembly Natural Resources -- HEARING SCHEDULED FOR 4-9-25 -- ***of note, rumor is this is likely to get a hearing but will not move further than that. This opens the discussion to allow for work in the interim and possibly bring back parts of the bill next session. .

BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
Water Resources Bills						
48-386	AB485	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Revises provisions relating to water.	AN ACT relating to water; revising provisions governing certain assessments on water users; making an appropriation to the Division of Water Resources of the State Department of Conservation and Natural Resources for various projects relating to the management of water resources in this State and for the digitization of records and data of the Division	WSG is currently neutral, but will closely monitor.	Referred to Assembly Natural Resources. NO HEARING SCHEDULED YET. ***Will die at the 4-11-25 First Committee Passage deadline if not Heard and Work Sessioned
S-389	SB6	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Cloud seeding	Makes an appropriation from the State General Fund to the Desert Research Institute of the Nevada System of Higher Education to support the Nevada State Cloud Seeding Program.	WSG is Neutral.	Referred to Senate Natural Resources -- HEARD ON THURSDAY, FEBRUARY 27, 2025 // WORK SESSIONED ON TUESDAY, APRIL 1, 2025: Passed without amendment.
48-260	SB31	Division of Water Resources	Revises provisions relating to the adjudication of vested water rights	Seeks to exempt federal agencies from filing claims of vested rights from requirement to file proof of the claim on or before a certain date; revising requirements relating to a notice of pending adjudication of certain water rights; and providing other matters properly relating thereto.	WSG met with the Nevada Farm Bureau and the Administrative Law Judge (NDWR) about this bill. The Farm Bureau is preparing to oppose the bill. WSG is studying the legislative history and implications of the McCarran Act on this bill. It appears that the bill may be necessary. WSG testified in opposition to this bill and is currently with Taggart & Taggart on an amendment that we'll likely try to get introduced in the Assembly if the current bill passes this week.	Referred to Senate Natural Resources -- HEARD THURSDAY, MARCH 6, 2025 // WORK SESSION SCHEDULED FOR TUESDAY, APRIL 8, 2025

BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
Water Resources Bills						
48-384	SB36	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Establishes provisions relating to the conservation of groundwater.	Nevada Water Buy-Back Initiative and the Advisory Committee for the Nevada Water Buy-Back Initiative; requiring the Director of the State Department of Conservation and Natural Resources to purchase certain water rights for the purpose of retiring the water rights; creating the Nevada Conservation and Recreation Program; and providing other matters properly relating thereto.	WSG is neutral, but will closely monitor entering the hearing scheduled for this upcoming week.	Referred to Senate Natural Resources -- HEARD ON THURSDAY, MARCH 6, 2025 // WORK SESSION SCHEDULED FOR TUESDAY, APRIL 1, 2025
40-750	SB276	Numerous Sponsors	Seeks to establish provisions governing the reporting and sharing of water-related information by certain gov. entities and Indian tribes.	Proposes new requirements for any city, county, unincorporated town, district, water authority, and Indian tribes to provide certain notifications to other related entities when applying for a permit to discharge water into a water of the State.	WSG is currently neutral, but will closely monitor. It should be noted that bill has an 'unfunded mandate' on it.	Assigned to Senate Natural Resources. HEARD ON THURSDAY, MARCH 20, 2025 // WORK SESSION SCHEDULED FOR TUESDAY, APRIL 8, 2025.
48-940	SB342	Senator Ohrenschall	Revises provisions relating to water.	Seeks to authorize the State Engineer (in certain areas) to coordinate with persons seeking to retire relinquished water rights. Also seeks to eliminate the resetting of priority dates when permits are canceled for failure to timely file extensions of time.	WSG is currently neutral on this bill and is working with a water rights attorney on coordination bill language and likely amendment text.	Referred to Senate Natural Resources. HEARD ON THURSDAY, APRIL 3, 2025 ***Will need to pass Work Session by 4-11-25 in order to meet First Cmte Passage Deadline.

In-Session Tracking (Select Natural Resources Bills)

Updated on 4/6/25

BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
Select Environmental & Natural Resources Bills						
42-265	AB40	Division of Environmental Protection	Revises various provisions relating to environmental hazards.	Revising provisions governing mining reclamation to include the stabilization of process fluids; revising certain requirements for a permit to engage in a mining operation or exploration project; requiring the State Environmental Commission to adopt regulations relating to the requirements for the owner or operator of a municipal solid waste landfill or solid waste management facility to provide certain evidence of financial responsibility.	Monitoring through NvMA who is working closely with NDEP on language. Seeks to provide NDEP with resources to be proactive in responding to mining emergency situations. Proposes changes to bonding issues relative to bankruptcy courts to ensure the NDEP is first in line to collect. Deals primarily with battery recycling and fluid management.	Assigned to Assembly Natural Resources Committee. HEARD ON MONDAY, MARCH 3, 2025 // WORK SESSIONED ON 3/24/25: Amended and Passed
18-214	AB242	Assemblyman DeLong	Revises provisions relating to the Sagebrush Ecosystem Council.	Seeks to place existing Sagebrush Ecosystem Council rules pertaining to sage grouse credits/debits into regulation.	WSG met with bill sponsor and is supportive of bill. Opposition groups testified during initial hearing regarding their dislike for the program, which was a waste of time (for them). See Exhibit 3 for hearing notes.	Assigned to Assembly Government Affairs. -- HEARD ON TUESDAY, MARCH 11, 2025 ***This bill received an exemption and is not subject to normal deadlines.
10-679	AB429	Assembly Committee on Natural Resources	Revises provisions relating to natural resources.	Existing law authorizes, with certain exceptions, an easement for conservation to be created conveyed, recorded, assigned, released, modified, terminated or otherwise altered or affected in the same manner as other easements. (NRS 111.420) This bill instead provides that any person, including a state or local government or any agency or instrumentality thereof, is authorized to create, convey, record, assign, release, modify, terminate or otherwise alter or affect an easement for conservation in the same manner as other easements.	WSG is neutral.	Assigned to Assembly Natural Resources. HEARD ON MONDAY, MARCH 31, 2025 // WORK SESSION SCHEDULED FOR WEDNESDAY, APRIL 9, 2025

BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
Select Environmental & Natural Resources Bills						
40-264	SB43	Division of Environmental Protection	Revises provisions relating to environmental protection	AN ACT relating to environmental protection. This bill is designed to address delegation of authorities, from the NDEP to local Health Districts. It is related to two programs; specifically, safe drinking water and solid waste management. .	Monitoring, neutral.	This is a Senate HHS bill that is assigned to the Senate Health and Human Services Committee. HEARD ON FEBRUARY 18, 2025 // WORK SESSIONED ON 3/27/25: Amended and Passed
26-392	SB286	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Seeks to establish state policy relating to tribal expertise and knowledge of public lands.	AN ACT relating to planning; declaring the importance of tribal knowledge and expertise and consulting tribal governments when engaged in the land use planning process; revising provisions relating to the State and Local Government Cooperation Act to include tribal governments.	WSG is neutral.	Assigned to Senate Natural Resources. HEARD ON THURSDAY, MARCH 20, 2025 // WORK SESSIONED ON APRIL 1, 2025: Passed without amendment
R-388	AJR12	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	JR: Declares support of Legislature for certain principles of solar development in this State.	In support of Nevada's position relative to land managed by the Fed. Government and it's support for renewable energy development in this State, this resolution makes the following requests, 1) Solar energy developments be concentrated on previously disturbed public lands, and 2) Solar energy development should be coordinated with relevant local and state governmental agencies as being appropriate to for such development.	WSG is supportive	Assigned to Assembly Leg Ops. NO HEARING SCHEDULED YET. Currently sitting on the Chief Clerk's Desk

BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
Select Environmental & Natural Resources Bills						
R-380	SJR4	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	JR: Urges the Federal Government to support and recognize certain land use planning principles when conducting projects in this State.	Nevada Legislature hereby urges the Fed. Govt. to support and recognize the following land use principles when conducting projects in this State: 1) Actions on public lands in the State of Nevada should be led and driven by the impacted local communities, 2) There must be coordination between federal, state, tribal and local governments, including, without limitation, federal agencies, 3) Public lands must be managed for multiple uses while also providing for the economic, social and environmental sustainability of public lands.	WSG is supportive	Assigned to Senate Natural Resources. NO HEARING SCHEDULED YET

EXHIBIT 2 – Hearing & Meeting Notes

Week 9 Work Session Committee Votes

- AB104: Passed Unanimously
- SB 6: Passed Unanimously.
- SB 36: Passed 4-1, with Senator Ellison voting no.
- SB 286: Passed Unanimously.

Week 9 Bill Hearing Notes

AB429 - Revises provisions relating to natural resources.

Heard in Assembly Natural Resources - Monday, March 31, 2025

Presenters included Assembly Member Howard Watts, Jake Tibbitts (Natural Resources Manager for Eureka County), and Alicia Reban (Executive Director of the Nevada Land Trust). AB429 clarifies and updates the law governing conservation easements in Nevada. The existing conservation-easement statutes, dating back to 1983, are reorganized and refined by this measure to confirm that any entity—including state and local governments—may hold a conservation easement for lands they own. During testimony, presenters emphasized that conservation easements are a valuable and voluntary tool to preserve the character of lands and communities, ensuring long-term conservation goals. An amendment to AB429 adds a single commonly used term related to conservation-easement transactions, although the transcript does not specify the exact word. The bill's sponsor described the bill and amendment as “straightforward,” with the aim of clarifying and solidifying government entities’ ability to use and hold conservation easements.

Support

- Nevada Conservation League testified in support, citing the importance of conservation easements to protect lands.
- No other in-person or phone comments in support beyond the presenters’ statements, though no apparent opposition was voiced.

Opposition

- None. No one testified against AB429.

Neutral

- None. No testimony in the neutral position.

Key Details

- The bill’s intent is limited to clarifying existing law and ensuring state/local agencies do not face uncertainty regarding their authority to create or hold conservation easements.
- Stakeholders noted conservation easements help preserve habitat, farmland, open space, and working lands—especially when kept in private/public ownership but with development rights relinquished.

SB342 - Revises provisions relating to water.

Heard in Senate Natural Resources - Thursday, April 3, 2025

Presenters included Senator James Ohrenschall, Michael DeLee (a farmer in Amargosa Valley and also an attorney and realtor), and Thomas “Tom” Driggs (an attorney focusing on water rights). SB342 originally contained language about a water-rights retirement program, but an amendment presented at the hearing removed that portion to avoid overlapping with similar bills (such as AB104 or SB36). As amended, SB342 focuses on two main issues.

First, it addresses the reinstatement of canceled water rights without losing the original priority date, clarifying that if a permit holder corrects a deficiency in good faith (such as missing a filing deadline), the water right may be reinstated without resetting its priority date. However, cancellations arising from bad-faith or willful non-use would still lose their original priority. Second, SB342 proposes changes to appeal deadlines for State Engineer decisions. Under current law, a petitioner has 30 days both to file in district court and to serve the State Engineer, which can be cumbersome. The amendment would allow petitioners extra time—potentially up to 60 days—to serve the State Engineer after filing, ensuring that those who meet the filing deadline have a fairer chance to complete service. The amendments remove most of the original references to a water-rights retirement program, focusing instead on reinstatement rules and extended service deadlines for petitions for judicial review.

Support

- No formal in-person support testimony was recorded at the hearing, though the presenters themselves spoke positively.
- Some watchers or stakeholders indicated the bill merited consideration.

Opposition

- None. No direct opposition testimony was offered.

Neutral

- Adam Sullivan (State Engineer) and Malcolm Wilson (Chief of Water Rights Section) testified neutrally:
 - They acknowledged the bill’s attempt to remove harsh penalties for “innocent” missed deadlines but cautioned about losing an incentive for compliance.
 - Suggested they would continue working with the sponsor on clarifications.
- Nevada Mining Association, Southern Nevada Water Authority, and Great Basin Water Network testified neutrally as well:
 - Wanted more time to review the late amendment.
 - Voiced some concern about potential impacts on enforcement and basin management but open to ongoing discussions.

Key Details

- Much of the hearing addressed how some water-right holders, especially inexperienced or smaller landowners, lose priority dates after minor paperwork errors.
- The sponsor framed the changes as “clean-up” to make the appeal process more fair and reduce unintended harm to water-right holders acting in good faith.

SB143 - Revises provisions relating to natural resources.

Heard in Senate Legislative Operations and Elections - Thursday, April 3, 2025

Presenters included Senator Rochelle Nguyen, Ms. Laura McSwain (Founder of the Water Fairness Coalition and a resident of an historic Las Vegas neighborhood), Mr. Stacy Stanley III (President of the Spanish Trail Homeowners Association and a former mayor of Aspen), and Dr. Kelly Kopp (Professor and Extension Specialist at Utah State University’s Center for Water Efficient Landscaping). SB143 directs or authorizes the Legislature’s Joint Interim Standing Committee on Natural Resources (and/or potentially the Legislative Counsel Bureau via NDEP) to evaluate and review water conservation policies in Southern Nevada and to report any findings or recommended changes for the 2025 Session.

This bill was prompted by concerns from residents in older neighborhoods who say that “one-size-fits-all” water restrictions and “excessive use” rate structures penalize them,

leading to the death of mature trees and established landscapes. The legislation focuses on balancing conservation with the need to preserve urban tree canopies for cooling, avoiding temperature spikes from artificial turf, and instituting policies better tailored to older homes and HOAs. Several supporters recommended that the interim committee be required (via “shall” rather than “may”) to examine issues such as excessive-use charges, the removal of grass around mature trees, and how older, historic neighborhoods are affected by these regulations. While the precise language of any amendments was not fully detailed at the hearing, the sponsor indicated willingness to clarify the bill’s scope to protect large, established trees, consider turf exceptions, and evaluate rate structures.

Support

- Dozens of individual homeowners, HOA representatives, arborists, and local advocates testified in support, highlighting:
 - High costs of forced turf-removal (especially older HOAs not originally designed with zero-scaping).
 - Environmental impacts: losing shade trees, higher neighborhood temperatures, bird and wildlife habitat decline.
 - Equity concerns: older neighborhoods facing big bills and severely negative impacts compared to newer developments or neighboring cities.
- Nevada Conservation League and Community Association Institute also supported.

Opposition

- None. No one testified in opposition.

Neutral

- Southern Nevada Water Authority (SNWA) testified neutral:
 - Acknowledged they regularly brief legislative committees (e.g., the former Public Lands Committee).
 - Indicated willingness to cooperate with an interim study or oversight but defended existing conservation measures, pointing to the region’s prolonged drought and reduction in Colorado River allocations.
 - Expressed interest in clarifying the reasoning behind certain turf restrictions and excessive-use charges if the Legislature proceeds with a study or oversight process.

Key Details

- Residents consistently raised concerns that older neighborhoods are losing decades-old trees after incentives or mandates to remove grass around them. They also cited skyrocketing water bills from “excessive use” rates, which are applied unevenly across different city jurisdictions in Clark County.
- Many participants pointed to heat-island effects and the role of mature trees and vegetation in cooling. They also cited the environmental downsides of replacing grass with artificial turf or bare rock.
- Main goal of SB143 is to bring legislative oversight and possibly produce a scientific or data-driven study, with robust public input, that may recommend solutions to preserve trees while still promoting water efficiency.

Overall Takeaways & Common Themes

- AB429 is narrowly focused on clarifying that any entity (including governments) may hold conservation easements in Nevada.
- SB342 addresses water-right cancellations, appeal procedures, and the desire to prevent “priority date” loss for innocent errors—no direct opposition, with the State Engineer neutral.
- SB143 centers on water conservation policies in Southern Nevada, especially concerns about removing mature trees and turf in older neighborhoods. It received extensive public support and no formal opposition, with SNWA neutral.

EXHIBIT 3 – Legislative Reviews

EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 11, 2025

Agency Submitting: State Department of Conservation and Natural Resources, Division of Water Resources

Items of Revenue or Expense, or Both	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Effect on Future Biennia
Personnel and Operating (Expense)		\$12,028,198	\$14,116,254	\$28,232,508
Total	0	\$12,028,198	\$14,116,254	\$28,232,508

Explanation

(Use Additional Sheets of Attachments, if required)

BDR 48-887 (AB265) adds statutory timeframes for the Nevada Division of Water Resources (NDWR) to process various submittals to the office. Under Sections 1 and 2 of AB265, NDWR must process new applications and change applications within 30 days after the final protest deadline if no protest is filed. If an application is protested, NDWR must take action within 60 days after the protest deadline. NDWR's median processing time on an application is 136 days. NDWR's current median processing time on an application is 136 days. With approximately 1,300 applications a year and over 2,000 application pending actions, meeting these proposed deadlines would require reducing processing time by over 500%.

Under Sections 4 and 6, NDWR must approve or deny an extension of time request within 30 days of receipt. NDWR takes about 75 days to process these requests and receives over 2,500 requests annually. NDWR currently takes about 75 days to process these requests and receives over 2,500 requests annually. Meeting proposed deadline would require a 300% reduction in processing time.

Under Section 5, NDWR must approve or deny a report of conveyance submittal within 14 days of receipt. Currently, the review process takes approximately 136 days to complete the review of a report of conveyance. NDWR receives over 1,700 reports of conveyance annually. To meet the proposed deadline, NDWR would need to reduce its processing time by over 1000%.

NDWR would need to at least double staff, with the potential of needing 3-4 times the staff to comply with timelines in the bill. NDWR would also require restructuring to provide adequate support for added staff including additional human resources, fiscal, staff supervision and management, administrative hearing staff, leadership and additional offices. The full extent of these impacts will not be fully realized until the agency hires and works through the new requirements. NDWR may request additional resources and staffing in future.

Name Christopher Thorson

Title Deputy Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

The agency's response appears reasonable.

Date Monday, March 10, 2025

Name Tiffany Greenameyer

Title Director

EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 23, 2025

Agency Submitting: State Department of Conservation and Natural Resources, Division of Water Resources

Items of Revenue or Expense, or Both	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Effect on Future Biennia
Personnel (Expense)		\$8,393,740	\$11,154,793	\$22,309,586
In-State Travel (Expense)		\$38,446	\$38,446	\$76,892
Operating (Expense)		\$1,442,999	\$928,868	\$1,857,736
Information Services (Expense)		\$271,086	\$184,443	\$368,886
Total	0	\$10,146,271	\$12,306,550	\$24,613,100

Explanation

(Use Additional Sheets of Attachments, if required)

AB419 creates a new process, timelines, and subjects the Division to the Nevada Administrative Procedures Act (NRS 233B). Due to the significantly increased workload outlined within the bill, the Division cannot absorb the implementation costs without a substantial increase in staff and resources. Details on the additional requirements, implementation process, and the fiscal impact are provided in the exhibits section of this fiscal note.

Name Christopher Thorson

Title Deputy Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Friday, March 21, 2025

The agency's response appears reasonable.

Name Tiffany Greenameyer

Title Director

DESCRIPTION OF FISCAL EFFECT

BDR/Bill/Amendment Number: BDR 48-736/ AB419 As Introduced

Name of Agency: Division of Water Resources

Division/Department: Department of Conservation and Natural Resources

Date: 3/21/2025

BDR 48-736 (AB419) creates new processes, timelines and other requirements for the Division (NDWR) as listed below:

- Section 1 establishes regulations for issuing preliminary decisions, handling objections, and conducting hearing for water right applications and aquifer storage and recovery applications.
- Sections 3 and 10 establishes timelines for issuing a preliminary decision, holding a hearing on an objection to the preliminary decision, and when a final decision needs to be made.
 - Preliminary decisions must be issued within 150 days of the final publication date.
 - If an objection is received, notice of an objection must be sent to applicant and all protestants within 15 days.
 - NDWR must hold a hearing on the objection within 120 days after the receipt of an objection. The hearing notice must be sent out at least 30 days prior to the hearing.
- Sections 6 and 7 establish final determination deadlines. If no objection is filed, NDWR must issue a final determination within 1 year of the preliminary decision. If no objection occurs, the final determination must be made within 240 days after an objection hearing is held.
- Decisions and objections must be posted on the Division's website.
- Section 4 requires NDWR to submit a report to LCB on any application that has been pending over 2 years.
- The bill changes the legal standard for which a court can review a decision of the State Engineer. (Section 9). Without having an understanding of the frequency of these challenges and the nature or complexity of the issues involved, the Division is unable to determine the extent and significance of the fiscal impacts.
- **Section 11 subjects NDWR to the Nevada Administrative Procedures Act (APA), except for certain exemptions.**
 - NDWR must comply with all administrative regulations provisions of APA (specifically, NRS 233B.0395-233B.120). These provisions would require NDWR to:
 - Adopt rules of practice and review these at least every three years, detailing all formal and informal procedures available, including a description of all forms and instructions used by the agency.
 - All agency rules or State Engineer Orders must be formalize as regulations. Each of Nevada's 256 basins would require its own section of regulation.
 - All undefined terms or areas of subjectivity need to be defined by regulation.
 - Conduct a mandatory regulation review at least once every 10 years.
 - All current rules must undergo the APA process prior to enforcement .
 - NDWR must reimburse LCB for all costs associated with drafting regulations (unknown costs).

- Under NRS 233B.0617, all existing regulations would become invalid, requiring the Division to reestablish all regulations.
- In addition to the administrative regulations provisions of the APA (outlined above), NDWR would also be subject to the contested cases provisions of the APA, with the exceptions provided for under AB419, NRS 233B.039, and Section 8. The exceptions provided for under the bill include subsections 1, 2, and 6 of NRS 233B.121, NRS 233B.124, and NRS 233B.126 to NRS 233B.135, inclusive. The remaining contested cases provisions would generally require as follows:
 - That no agency member who acts as an investigator or prosecutor in any contested case may take any part in the adjudication of such case (NRS 233B.122). In NDWR's case, this would prevent Division staff from participating in hearings on protested applications and/or any other adjudications proceeding in which the staff participated. Due to this restriction, NDWR would need to contract with an outside entity to support the Division in these cases.

NDWR cannot absorb these changes and has determined that implementing the bill's requirements will have a significant fiscal impact. NDWR receives about 1,200 applications annually, with 10-20% facing protest and 30-50 applications denied each year. Given the new timelines and processes, the Division estimates the following 73 positions and related resource needs:

- One Administrative Assistant III to send over 3,000 certified mail notifications of preliminary decisions and objection notices and post the decisions and objections on the website.
- The Water Rights Section will require five Staff I, Associate Engineers and five Staff II, Associate Engineers to meet timelines of preliminary and final decisions and to support drafting preliminary decisions, objection hearings and prepare final decisions. Additionally, two supervisors will oversee new staff, and a water rights manager to support section management.
- The Hydrology Section will require five Staff I, Associate Engineers and five Staff II, Associate Engineers to analyze applications, issue preliminary decisions on time, support objection hearings, and assist with final decisions. Additionally, two supervisors to oversee new staff and two Deputy Administrators to assist with making preliminary and final decisions.
- The Hearing Section will require additional staff dedicated solely to objection hearings.
 - Two Chief Administrative Law Judges and 16 Administrative Law Judges are required to handle potentially up to 200 hearings annually (requiring least two hearings per day just on potential objections to the preliminary decision.)
 - One Legal Secretary is needed for every two Administrative Law Judges to assist with decision drafting, hearing notification and scheduling, organizing hearing materials and exhibits, final decision drafting, and other administrative support for developing regulations.
 - Contracts to hire outside experts are required for support in contested cases under NRS 233B.122 (Section 11).
- Two additional Administrative Law Judges are needed to handle the increase in appealed and complex cases, along with additional Deputy Attorney General support (unknown costs) (Section 9).
- The Hearing Section will require additional staff to meet the APA requirements for regulations and rulemaking (Section 11).

- One Chief Administrative Law Judge to supervise new staff and nine Administrative Law Judges to conduct hearings, draft rules and regulations for 256 basins, and manage other rulemaking and regulation process under NRS 233B.
- One secretary is needed for every two Administrative Law Judges to assist with decision drafting, hearing notification and scheduling, organizing hearing materials and exhibits, final decision drafting, and regulatory development
- This will require Deputy Attorney General support (unknown costs)
- LCB drafting and support will be needed to comply with rulemaking requirements (unknown costs).

Additional operating costs, including computers, travel, vehicles, and building space, will also be required to support the new staff.

From: Melanie Scheible Senator <Melanie.Scheible@sen.state.nv.us>
Sent: Thursday, April 3, 2025 8:40 AM
To: leo@theperkinsco.com; Chaunsey Chau-Duong
Cc: josephguildiii@gmail.com; jdixon@dixonhydro.com; cerskine@dcnr.nv.gov
Subject: Fw: Sb 31 legal question

Hello All,

Legal got back to me the below answer and I thought it easiest to send this to all of you at once. Please share with the people I missed - I know there were a few others I told I would send the decision to.

Sincerely,
Melanie

Senator Melanie Scheible
Senate District 9
melanie.scheible@sen.state.nv.us

From: Sturdivant, Erin <Erin.Sturdivant@lcb.state.nv.us>
Sent: Wednesday, April 2, 2025 12:25 PM
To: Melanie Scheible Senator <Melanie.Scheible@sen.state.nv.us>
Subject: RE: Sb 31 legal question

Good Afternoon Senator,

I have provided an informal answer to your question below. Please let me know if you would like any additional information or analysis on the issue.

You have asked whether the provisions of SB 31 providing that the federal government is not required to submit proof of a vested water right claim by the 2027 deadline are necessary based on existing case law regarding the scope of the federal government's waiver of sovereign immunity under the McCarran Amendment. We believe there are two issues that are relevant to answering this question: (1) can the State require the federal government submit proof of a vested water right claim for future adjudications by 2027; and (2) does the federal government have non-reserved vested water right claims such that it is necessary to specify that the provisions of NRS 533.087 do not apply to such claims? As discussed below, the State may not require the federal government submit proofs of claims by the deadline set forth in NRS 533.087 and as such, if the State Engineer believes that the federal government may have valid claims of vested water rights that are not asserted under the reserved right doctrine, it would be prudent to amend NRS 533.087 to specify that such claims are not subject to this deadline.

Can the State require the federal government submit proof of a vested water right claim for future adjudications by 2027?

The existing deadline in NRS 533.087 by which claimants must file proof of a claim cannot be applied to claims of the federal government. As discussed during the hearing, in United States v. Oregon, the 9th Circuit held that a statutory deadline in Oregon law by which parties were required to file a registration statement could not be applied to the federal government. 44 F. 3d 758, 770 (9th Cir. 1994) Under Oregon law, the federal government and all other claimants were required to file proof of vested or reserved rights on or before December 31, 1992. Id. While Oregon argued that the registration statements were part of the comprehensive adjudication process for water rights in the State, the 9th Circuit disagreed, finding that the waiver of sovereign immunity under 43 U.S.C. § 666 (McCarran Amendment) did not extend to the filing of registration statements under Oregon law and thus, Oregon could not require the federal government to file these statements before commencing a comprehensive water rights adjudication. Id. at 770-711. The 9th Circuit stated:

"While the information obtained by the registration system regarding claims not yet at issue in any proceeding may be useful in future comprehensive adjudications, the process cannot accurately be described as part of the state's adjective law for the adjudication of water rights claims. There is no relation between the deadline for filing registration statements and the commencement of the statutory adjudication. The claims thus registered will only be adjudicated "upon the motion of the

director or, in the discretion of the director, upon receipt of a petition from one or more appropriators of surface water . . .” The connection between registration and adjudication is too tenuous for the registration provisions to be characterized as part of the adjudications to which the United States consented to be joined.”

Id. at 771.

Similar to the Oregon statute at issue in United States v. Oregon, the requirement in NRS 533.087 to submit proof of a claim of a vested right by December 31, 2027, is not connected to a comprehensive adjudication of water rights. After the deadline by which claims must be filed, existing Nevada law authorizes the State Engineer to begin an adjudication of the rights of claimants to water of stream or stream system upon petition or order of the State Engineer. NRS 533.090. As such, the deadline in NRS 533.087 acts in the same manner as the Oregon law to require filing claim information for the purposes of future adjudications, but is not connected to the commencement of an adjudication. As this deadline is not connected to the commencement of an adjudication, the federal government has not waived sovereign immunity under the McCarran Amendment and the State of Nevada may not require the federal government to comply with this deadline or penalize the federal government for failing to comply with this deadline. See Oregon, 44 F.3d at 771. (“In the absence of a waiver of sovereign immunity, the State may not require the United States... to register water rights claims prior to the adjudication of those claims, nor may it prejudice those claims if no registration statements are filed.”)

Does the federal government have non-reserved vested water right claims such that it is necessary to specify that the provisions of NRS 533.087 do not apply to such claims.

The federal reserved water rights doctrine was established in 1908 in Winters v. U.S., where the Supreme Court found that, when the federal government created Indian reservations, water rights were reserved in sufficient quantity to meet the purposes for which the reservation was established. 207 U.S. 564 (1908). A federal reserved right may be express or implied. See United States v. Walker River Irrigation District, 104 F.2d 334, 339 (9th Cir. 1939) The reserved right doctrine also applies to other federal properties, such as national parks, forests, monuments, military bases, and wildlife preserves. See generally, John v. U.S., 720 F.3d 1214 (9th Cir. 2013). A federal reserved water right is limited to the primary purpose of the reservation and only to the amount of water necessary to fulfill the purpose of the reservation. Cappaert v. U.S., 426 U.S. 128, 141 (1976). Additionally, the U.S. Supreme Court further limited the reserved rights doctrine in U.S. v. New Mexico stating that “where water is only valuable for a secondary use of the reservation . . . there arises the contrary inference that Congress intended, consistent with its other views, that the United States would acquire water in the same manner as any other public or private appropriator.” 438 U.S. 696, 702 (1978).

There has been debate regarding the concept of federal “non-reserved” water rights, specifically in a series of memorandums issued by the United States Department of Interior and United States Department of Justice debating the concept of non-reserved water rights. See 86 Interior Dec. 553 (1979) (Opinion of Interior Solicitor Krulitz); 88 Interior 1055 (1981) (Opinion of Interior Solicitor Coldiron); Fed. “Non-Reserved” Water Rights, 6 U.S. Op. O.L.C. 328 (1982) (Opinion of Assistant Attorney General Olson). However, no federal court has upheld the existence of a federal non-reserved water right. In New Mexico ex rel. Reynolds v. Aamod, the District Court state that “[t]here is a federal reserved right and a state appropriative right, but no hybrid of the two.” 1986 WL 1362103, p. 2 (D. N.M. 1986).

Given the debate regarding the existence of any kind of federal non-reserved right, it is not clear to this office what vested rights the federal government may claim in an adjudication that are not implied or expressed reserved rights. However, we note that the Nevada Supreme Court found that the United States Bureau of Land Management may hold state permits for the appropriation of water for stockwatering and wildlife watering purposes and, in the Las Vegas Artesian Basin Adjudication, the State Engineer granted Nellis Air Force Base a “national defense water right.” State v. Morros, 104 Nev. 709 (1988); In the Matter of Determination of the Relative Rights in and to the waters of the Las Vegas Artesian Basin (212), Clark County, Nevada District Court, Case No. A382950, 13 December 1999 (District Court Judge's Decree). The national defense water right is not a concept found in existing case law, so it is not clear to this office if this water right was granted on the basis that the federal government has an implied or express reserved right or upon some other legal theory. Ultimately, the claims which the federal government may assert in an adjudication are a question of fact for the Office of the State Engineer as to whether the Office believes that there are legitimate vested right claims of the federal government which may be asserted on a basis other than the reserved rights doctrine.

Under existing Nevada law, all claimants of vested rights are required to file proof of the vested right by December 31, 2027, whereas federal agencies claiming reserved rights are not required to file proof until the State Engineer enters an order granting a petition or selecting the streams upon which the determination of rights is to begin. NRS 533.087, 533.095. Thus, under existing Nevada law, if a federal agency is claiming a vested right that is not a reserved right, the current statutory language would require proof of such claims to be filed by December 31, 2027. As such, based on the holding in United States v. Oregon, if the State Engineer believes that the federal government may have claims of vested rights which do not fall under the

reserved rights doctrine, NRS 533.087 should be amended to provide that federal claims of vested rights are not required to be filed by this deadline as the State of Nevada may not require the federal government to file such claims by this deadline and may not penalize the federal government for failing to file such claims by the deadline.

Thanks,

Erin Sturdivant

Senior Principal Deputy Legislative Counsel
Legislative Counsel Bureau
401 S. Carson Street
Carson City, Nevada 89701
775.684.6830 (Legal Division)

ATTENTION

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From: Sturdivant, Erin
Sent: Monday, March 31, 2025 11:19 AM
To: Melanie Scheible Senator <Melanie.Scheible@sen.state.nv.us>
Subject: RE: Sb 31 legal question

Good Morning Senator,

We are currently looking into the issue. With respect to the U.S. v. Oregon case, it appears to be directly on point with respect to the question of whether the adjudication process is too far removed from the requirement to submit proof of a claim of a vested right pursuant to NRS 533.087 and is binding case law in Nevada. As in Oregon, the deadline in NRS 533.087 by which to provide proof is not connected to any date on which the State may begin the adjudication process. As the Court held Oregon, "The connection between registration and adjudication is too tenuous for the registration provisions to be characterized as part of the adjudications to which the United States has consented to be joined. In the absence of a waiver of sovereign immunity, the State may not require the United States or the Tribe to register water rights claims prior to the adjudication of those claims, nor may it prejudice those claims if no registration statements may be filed." Oregon, 44. F.3d. at 771.

We will continue to research the issue to determine if there are any other basis by which to distinguish the holding in Oregon versus the requirement in NRS 533.087.

If you are looking for an informal opinion, we can get back to you with a more thorough answer this week. If you are requesting a formal opinion on the question, I cannot provide a definite date by which an answer would be provided and would need to check with the Legislative Counsel.

Thanks,

Erin Sturdivant

Senior Principal Deputy Legislative Counsel
Legislative Counsel Bureau
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From: Melanie Scheible Senator <Melanie.Scheible@sen.state.nv.us>

Sent: Sunday, March 30, 2025 6:14 PM

To: Sturdivant, Erin <Erin.Sturdivant@lcb.state.nv.us>

Subject: Sb 31 legal question

Hello Erin,

I am hoping legal can weigh in with an opinion on whether the deadline imposed by NRS 533.087 for vested water rights claims is similarly "too far removed" from the adjudication process for the McCarran Amendment to apply as it was in U.S. v. State of Oregon, 44F.3d 758. Please let me know if I need to clarify my question and when/if legal would be able to give us an opinion.

thank you!

Melanie



Senator Melanie Scheible

Chief Majority Whip

Senate Judiciary, Chair

District 9

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