

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 in which we engage with daily.

Overall Legislative Schedule

Date	Day	Key Legislative Task
17-Feb	Mon	Joint Standing Rule No. 14 BDRs
24-Feb	Mon	Joint Standing Rule No. 14 BDRs
17-Mar	Mon	Legislators' Bill Introductions
24-Mar	Mon	Joint Standing Rule No. 14 and Other Remaining Bill Introductions
27-Mar	Thu	NvMA Mining Day at the Legislature
1-Apr	Tue Start Closing Budgets	
11-Apr	Apr Fri Committee Passage (First House)	
22-Apr	Apr Tue First House Passage	
1-May	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 highlights the bills of primary interest, as of the date of this report, with a more comprehensive tracking table attached hereto.

<u>AB9</u>

Under <u>NRS 533.0243</u>, a person is already allowed to temporarily convert agricultural water rights for wildlife purposes or improve the quality of flow 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 10 years with 5-year extensions.

<u>AB109</u>

This bill proposes to eliminate the geothermal production exemption (for non-consumptive use water rights) in <u>NRS</u> <u>534A</u>, shifting the exemption to geothermal exploration only. Requires State Engineer to review dissolved mineral exploration projects submitted through NDOM.

<u>SB31</u>

In 2017, <u>NRS 533.087</u> 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 (apparently) proposed by the State Engineer to exempt the Federal Government from the deadline for filing reserved or vested claims before the 2027 cutoff.

<u>AB134</u>

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.

<u>AB104 / SB36</u>

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.

<u>AB132</u>

This bill proposes to update requirements for wildlife guzzlers to increase capacity (from 20k gal. to 40k gal.) and max. allowable water conveyance distance from 0.25 mi. to 0.5 mi.

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 <u>NRS 533.369</u>. 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.

Tracking Table

A detailed (hyperlinked) tracking table is attached to this report (see Exhibit 1). The first few issues of the report will include all BDRs initially targeted for review and consideration as to how they may affect WSG clients. Going forward, as details emerge, some of these bills will be removed from the tracking table unless a client requests them to remain or be added back.

In last week's report, the following 'Highlight' sections were unintentionally labeled with 'AB104 Background' subheadings with content pertaining to other bills. This issue has been fixed in this edition (below). Since the Legislature was closed on Thursday and Friday this past week due to weather, new content was limited. Therefore, the same highlights remain for this week (with the correct bill subheading noted).

AB104 Background

During our 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, then the State Engineer should be able to process those applications in accordance with NRS 533.370. Potentially forcing the State Engineer to reject all applications in a basin (post-retirement) is not a good idea.

AB134 Background

This bill allows holders of perfected (ie 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 I'm working in basins for a project that needs to acquire existing water rights, one of the first things I look at is perfected rights not being used. If this bill passes as written, I'm concerned that people can use this 'conservation plan' concept to hold the basin hostage in the name of 'conservation.' Again, this is counter to what I believe should be the number one priority of the State Engineer, which is maximizing beneficial use.

AB109 Background

Recently a question was posed as to the potential implications of AB109 on hard rock mining companies. Below is a slightly modified portion of our response:

"As AB109 is currently written, I don't think it will affect mining operations that don't consume all pumped groundwater in their dewatering system. I'll use an example from Round Mountain to explain this. At Round Mountain, I consolidated all of our base water rights (consumptive and nonconsumptive) under what's known as a 'Super Permit': https://tools.water.nv.gov/permitinformation.aspx?app=833 33. This permit has a (current) combined diversion rate of ~19,000 gpm, which expands to ~36,000 acre-ft annually (afa). However, the most important permit term is our consumptive use limit of 14,467 afa. Of course, we also have robust monitoring requirements that require regular reporting of our water balance, showing exactly how much water is consumed each month for all manners of use, and we rely heavily on RIBs to manage our net consumptive use. This is typical, and every mining operation that I know of using RIBs, as we do, has consumptive and non-consumptive water rights. None of them have only nonconsumptive permits and that's why AB109 (as written) wouldn't affect dewatering mines. Plus, AB109 is specific to geothermal. I don't believe AB109 is going to pass. However, I don't trust the Environmental NGO behind it and I think they're using this bill to make a point and start a larger conversation."



Round Mountain Gold, Rapid Infiltration Basins (RIBs)

Upcoming Meetings / Hearings

Date	Day	Bill Hearing Link
18-Feb	Tue	AB10 - Local Improvement Projects
19-Feb	b Wed <u>AB80</u> - Soil Health	

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.

Date	Bill	Bill Meeting & Hearing Notes (Exhibit 2)
12-Feb	<u>AB26</u>	Hearing on AB26 (Dam Safety Bill)

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, growthoriented, 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 lowcomplexity 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, Nevada. 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 Nevada 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) managed land. BTAZ also 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, Nevada. 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.



For more background information, please refer to: <u>Dixon Hydrologic, PLLC</u>

Meridian Nevada

WSG works closely with <u>Meridian Nevada</u>, which specializes in strategic consulting services to 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:

- 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.
- 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.
- 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



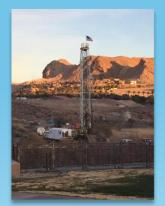
Mining



Agriculture



Energy



Public Works | Municipal

EXHIBIT 1 -

Weekly Legislative Tracking Table





BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
				Water Resources Bills	•	
17-10	<u>SB143</u>	Senator Nguyen	Provisions relating to water.	Unknown	Will monitor.	Referred to Senate Legislative Operations and Election Committee NO HEARING SCHEDULED YET
48-391	<u>AB9</u>	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Revises provisions governing the temporary conversion of agricultural water.	(NRS 533.0243) This bill instead provides that a temporary conversion of agricultural water rights may not exceed 10 years in duration and may be extended in increments that may not exceed 5 years in duration each.	Evaluating and monitoring.	Referred to Assembly Natural Resources NO HEARING SCHDULED YET
22-407	<u>AB10</u>	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.	Casually monitoring.	<u>Referred to Assembly</u> <u>Government Affairs Hearing o</u> <u>2/18</u>
48-212	<u>AB109</u>	Assembly-woman La Rue Hatch	Provisions relating to water.		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.	Referred to Assembly Natural Resources NO HEARING SCHDULED YET
48-260	<u>SB31</u>	Division of Water Resources	Revises provisions relating to the adjudication of vested water rights	requirements relating to a notice of pending adjudication of certain water rights; and providing	BAD BILL!! Based on WSG conversation with State Engineer, this bill seems to be based legal advice that he has been given suggesting that under the McCarran Act, the Feds. are exempt based on federal law to comply with Nevada statutory deadline for filing claims. WSG DISAGREES WITH THIS ASSERTION.	





BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
				Water Resources Bills		
48-261	<u>AB26</u>	Division of Water Resources	Revises various provisions relating to	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.	Evaluating and monitoring.	<u>Referred to Assembly Natural</u> <u>Resources First hearing was on</u> 2/12.
48-379	<u>AB134</u>	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Makes certain changes relating to 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.	beneficial, we are supportive of water conservation in certain cases. This bill creates concern that a water	Referred to Assembly Natural Resources NO HEARING SCHDULED YET
48-383	<u>AB104</u>	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Revises provisions relating to water right retirements.	permits to appropriate groundwater; creating the Nevada Conservation and Recreation Program; creating the Account for Retiring Water Rights; establishing the Nevada Voluntary Water Rights	WSG has been involved in the development of this bill and will monitor closely. WSG expressed concerned about language that prevents future appropriations when retirements bring a basin back into 'balance.'	Referred to Assembly Natural Resources NO HEARING SCHDULED YET





BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
				Water Resources Bills		
48-384	<u>SB36</u>	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	WSG is proposing an amendement that removes the requirement for State Engineer to reject applications (within entire basin) after program retirements. As written, this bill could close a basin to new groundwater appropriations forever where retirements have occured. WSG believes the State Engineer should rely on existing authority under NRS 533.370 (2) when considering all applications.	Referred to Senate Natural Resources NO HEARING SCHDULED YET
48-385	n/a	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	relating to	Being monitored by WSG via access to a Legislative Water Working Group. Similiar bill that has failed in the prior two Sessions.	Will monitor.	still no bill number or language for this BDR
48-386	n/a	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)		Being monitored by WSG via access to a Legislative Water Working Group.	Will monitor.	still no bill number or language for this BDR
S-389	<u>SB6</u>	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.	Will monitor.	Referred to Senate Natural Resources NO HEARING SCHDULED YET
48-586	<u>AB132</u>	Assemblyman Yurek	Revises provisions relating to water.	guzzlers to increase capacity (from 20k gal. to 40k gal. and max. allowable pipeline distance from 0.25 to 0.5 miles.	WSG met with bill sponsor on 1/24. He was unaware of the potential to expand feral horse range, but agreed with our concern. He is reaching out to entity who brought the bill to him. WSG meeting with Yurek on 2/11.	Referred to Assembly Natural Resources NO HEARING SCHDULED YET





BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
48-736	n/a	Assemblyman DeLong	Revises provisions relating to applications concerning water rights.	Based on a meeting with Sponsor in December, the intent for this bill is supposed to require the State Engineer to follow the Administrative Procedures Act.	WSG has reviewed pre-LCB draft. Seeks to remove to remove the State Engineer exemption under the Administrative Procedures Act. Proposes to require State Engineer to provide tentative rulings with required timelines. WSG is evaluating and will monitor closely.	still no bill number or language for this BDR
48-886	<u>AB190</u>	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.	for certain project proponents to gain access to public funds when they are	Referred to Assembly Natural Resources NO HEARING SCHDULED YET
48-887	n/a	Assemblyman Gurr	Revises provisions relating to water.	WSG has reviewed pre-LCB submittal. Would seek to place strict time limits on the time allowed for State Engineer to act on applications and extensions of time.	have large fiscal note. Sponsor has	still no bill number or language for this BDR





In-Session Tracking (Select Natural Resources Bills) Updated on 2/15/25						
BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
			Select Environmental	& Natural Resources Bills		
40-264	<u>SB43</u>	Division of Environmental Protection	Revises provisions relating to environmental protection	AN ACT relating to environmental protection; authorizing certain district boards of health to act as a solid waste management authority under certain circumstances; removing the authority of certain district boards of health to administer the collection and disposal of solid waste; authorizing certain district boards of health to issue certain permits and administer and enforce certain provisions relating to public water systems under certain district boards of health to administer certain circumstances; removing the authority of certain district boards of health to administer certain provisions relating to public water systems; providing a penalty; and providing other matters properly relating thereto.	Evaluating and Monitoring.	This is a Senate HHS bill that is assigned to the Senate Health and Human Services Committee. NO HEARING SCHEDULED YET
42-265	<u>AB40</u>	Division of Environmental Protection	Revises various provisions relating to environmental hazards.	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	Monitoring through NvMA. 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.	Assigned to Assembly Natural Resources Committee. NO HEARING SCHEDULED YET.
49-387	<u>AB80</u>	Assembly Committee on Natural Resources		Seeks to establish the 'Soil Health Advisory Board within State Conservation Commission. Would create bill creates the Healthy Soils Initiative within the Commission, which must: (1) encourage the adoption of soil health practices by <u>agricultural</u> <u>producers</u> ; (2) promote and advance the understanding of the environmental and economic benefits of soil health practices; and (3) support and advance scientific research into soil health. Proposes various funding mechanisms.	Evaluating and Monitoring.	Assigned to Assembly Natural Resources Committee. Hearing scheduled for 2/19.

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BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
			Select Environmental	& Natural Resources Bills		
18-214	n/a	Assemblyman DeLong	Revises provisions relating to the Sagebrush Ecosystem Council.	Unknown	Will monitor.	still no bill number or language for this BDR
26-114	n/a	Senator Hansen	Revises provisions relating to public lands.	Unknown	Will monitor.	still no bill number or language for this BDR
26-392	n/a	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	Established state policy relating to tribal expertise and knowledge of public lands.	Unknown	Will monitor.	still no bill number or language for this BDR
48-750	n/a	Senator Hansen	Revises provisions governing environmental justice.	Unknown	Could be supportive for business and industry. Will monitor.	still no bill number or language for this BDR
216	n/a	Senator Scheible	Revises provisions relating to natural resources.	Unknown	Will monitor.	still no bill number or language for this BDR
R-380	<u>SJR4</u>	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 40 and driven by the impacted local communities, 2) There must be coordination between federal, state, tribal and 42 local governments, including, without limitation, federal agencies, 3) Public lands must be managed for multiple uses while also 12 providing for the economic, social and environmental sustainability 13 of public lands.	Worthy of support.	Assigned to Senate Natural Resources. NO HEARING SCHEDULED YET.





BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS	
	Select Environmental & Natural Resources Bills						
R-388	n/a	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	JR: Declares support of Legislature for certain principles of solar development in this State.		Will monitor.	still no bill number or language for this BDR	
679	n/a	Assembly Committee on Natural Resources	Revises provisions relating to natural resources.	Unknown	Will monitor.	still no bill number or language for this BDR	
940	n/a	Senator Ohrenschall	Revises provisions relating to natural resources.	Unknown	Will monitor.	still no bill number or language for this BDR	

EXHIBIT 2 – Hearing & Meeting Notes

Summary of the Hearing on AB26 (Dam Safety Bill)

On February 17, 2023, the Assembly Committee on Natural Resources heard Assembly Bill 26 (AB26), presented by Adam Sullivan, State Engineer and Administrator of the Division of Water Resources (within the Nevada Department of Conservation and Natural Resources). AB26 proposes several updates to NRS Chapter 535, which governs dam safety and related oversight in Nevada.

Below is a detailed overview of AB26 and the committee's discussion, focusing on the key provisions and the Division of Water Resources' rationale for each change.

Background on Nevada's Dam Safety Program

- Number and Classification of Dams Nevada regulates 658 dams statewide. Each dam is classified based on its potential hazard:
 - High Hazard (154 dams): Failure would likely result in loss of life.
 - Significant Hazard (88 dams): Failure would cause major economic loss or loss of critical infrastructure.
 - Low Hazard (416 dams): Failure poses a low probability of significant economic loss or infrastructure damage.
- Dam Safety Staff and Responsibilities
 - The Division's five staff members perform 200–300 inspections per year.
 - They also review about 15–20 applications annually for new dams or modifications to existing dams.
 - Each high or significant hazard dam is required to have an Emergency Action Plan, ensuring local emergency responders and the state know how to respond if a dam is compromised.
- Funding Structure
 - The program is largely funded by an annual FEMA State Assistance Grant under the National Dam Safety Program.
 - Staff salaries come from general fund dollars.
 - There is a dam storage fee (approximately \$1.4 million per year, paid by nonagricultural dam owners), but those monies currently go to the general fund rather than directly supporting dam safety projects.

 The Division noted that future policy discussions may consider reallocating these fees to directly fund dam safety improvements or offer financial assistance to dam owners; however, AB26 itself does not address those fees.

Key Provisions in AB26

AB26 modernizes and clarifies dam safety statutes without substantially expanding or curtailing existing authority. The bill's primary aim is to ensure statutory language aligns with industry standards, current practice, and public safety needs.

- 1. Liability Protections for Dam Safety Staff (Section 1)
 - What It Does:
 - Provides that employees (and potentially authorized agents) of the State Engineer's office are not personally liable for actions taken in the course of inspecting, responding to emergencies, or enforcing orders related to dam safety.
 - Reflects national recommendations by FEMA and the Association of State Dam Safety Officials.
 - Committee Concerns:
 - Some committee members and external stakeholders questioned whether the phrase "or authorized agents" might be too broad.
 - The Division suggested a friendly amendment to remove those three words ("or authorized agents," which appear twice in Section 1) to ensure consistency with NRS Chapter 41 (which already provides certain immunity protections to state employees acting within the scope of duty).
 - Clarifying Design vs. Review Liability:
 - The State Engineer emphasized that while the Division reviews dam plans, it does not serve as the design engineer. A separate professional engineer stamps and certifies the design.
 - Thus, the provision protects Division staff from personal liability when conducting official inspections, approvals, or emergency actions, rather than insulating an engineer who designs a dam.
- 2. Clarifying Which Dams Require State Approval (Section 2)
 - Removal of a Water Right Requirement

- The old statute mentioned the necessity of a water right for certain regulatory thresholds. AB26 acknowledges that many dams do not store water longterm (e.g., flood-control structures) and may never divert water in a traditional sense.
- This update clarifies that not all dams need an associated water right, yet the Division must still approve such dams for safety.
- Jurisdictional Thresholds for High/Significant Hazard
 - Even if a dam is below certain size or storage thresholds, it can still be deemed "jurisdictional" if it poses a significant or high hazard to public safety.
 - For instance, multiple small "in-series" dams might collectively pose a high risk if a chain reaction of failures could occur during a flood.
- Permit vs. Approval
 - The term "permit" is replaced in some places by "approval" to better reflect that the Division may require owners to submit plans for any proposed construction or alteration, whether the dam needs a formal "permit" or not.
 - The timeline for submittals is revised to remove the outdated requirement of "30 days before construction," recognizing that dam design review usually takes longer.
- 3. Dams Under Federal Oversight (Section 2, Subsection 6)
 - Current Statute:
 - Exempts dams "constructed by" the Bureau of Reclamation or Army Corps of Engineers from state regulation.
 - Revised Language:
 - Exempts dams "under the jurisdiction of" these agencies. The shift ensures that if federal oversight ends (e.g., dam ownership is transferred from the Bureau of Reclamation to a local district), it must then fall under the Division's jurisdiction.
 - A noted example was Rye Patch Dam, originally built by the Bureau of Reclamation but later transferred to a local agency. Without clarifying language, no formal regulatory body oversaw it for a time.

- Possible Discussion on FERC:
 - Some committee members asked why the Federal Energy Regulatory Commission (FERC)—which oversees hydroelectric projects—was not explicitly included.
 - The Division noted that FERC oversight often meets or exceeds state standards. However, the Division also explained that including FERC might require further consideration—especially for emergency operations or special local conditions where the state may still need a role.
- 4. Updates on Communications with the Nevada Department of Wildlife (Section 3)
 - Interagency Coordination:
 - Minor wording changes align with current practice in how the Division of Water Resources and the Nevada Department of Wildlife (NDOW) consult on dam impacts to wildlife or habitat.
- 5. Clarifying Land Access for Inspections (Section 5)
 - Inspection Access:
 - The Division's dam safety staff may need to inspect land immediately upstream or downstream to evaluate structural safety.
 - This clarifies that if parcels around a dam change ownership or become subdivided, staff can still lawfully enter the area to conduct safety inspections.
- 6. Removing Process-Server Requirements (Sections 6 & 7)
 - Notices to Dam Owners:
 - The old statute mandated "serving notice" via formal process service (as in legal court service).
 - AB26 allows for written notice without the extra procedural step, speeding up communication when safety issues arise.
 - Applies as well to "removal of beaver dams" or unsafe structures; the requirement is still to notify, but no longer to hire a process server.
- 7. Conforming Terminology (Sections 8 & 9)
 - Permit vs. Approval

• The final sections simply replace "permit" with "approval" to align with changes in Section 2.

Committee Questions & Discussion

- 1. Liability and Immunity
 - Several legislators asked about the scope of immunity in Section 1. The Division explained it mirrors existing protections in NRS 41, but is now tailored specifically to dam inspections, responses, and enforcement.
 - The Division offered a friendly amendment to remove "or authorized agents" to avoid overly broad immunity coverage.
- 2. State as Both Regulator and Owner
 - The state owns one dam (South Fork Dam near Spring Creek, Elko County).
 Staff explained they "wear different hats" internally:
 - One team is responsible for design/maintenance.
 - Another team separately conducts the regulatory review and ensures compliance with the same standards as private or local owners.
- 3. Federal Oversight (FERC)
 - Some members inquired about adding or referencing FERC or other agencies (e.g., Bureau of Indian Affairs) in the exemption language.
 - The Division emphasized FERC oversight can be robust, but they must ensure the state retains any emergency or public-safety response capacity.
 - The Division noted it is open to discussing this further if there is a potential amendment.
- 4. Beaver Dams
 - The bill retains language on the removal of beaver dams but removes the formality of "process serving" for notices. Committee members noted humorously that beavers have their own statutory mention but recognized this clarifies a real safety concern in some areas.
- 5. Public Testimony
 - Support: None formally in-person; none via phone.
 - Opposition: None formally.

- Neutral:
 - Two individuals, including the Great Basin Water Network (GBWN), mentioned that if FERC or other expansions of the exemptions were added in an amendment, it could become controversial—particularly regarding certain hydro projects in White Pine County.
 - The Sierra Club's Toiyabe Chapter echoed GBWN's position, also remaining neutral on the bill as written but wary of potential late amendments regarding federal exemptions.

Next Steps & Potential Amendments

- Friendly Amendment (Section 1):
 - The Division suggested removing the phrase "or authorized agents" where it appears (twice) in Section 1 to address concerns about overly broad liability immunity.
- Possible Discussion on FERC or Other Federal Agencies:
 - A few legislators inquired whether AB26 should include a statutory exemption for FERC-regulated dams.
 - Stakeholders in neutral testimony (GBWN, Sierra Club) indicated concerns if that change significantly alters state oversight or local authority. No formal amendment language was submitted during the hearing, but further discussions may occur.
- No Changes on Funding Mechanisms:
 - While the Division highlighted that dam storage fees currently flow to the general fund—rather than directly helping Dam owners with repairs or upgrades—AB26 does not propose altering that structure.

Conclusion

In sum, AB26 is intended to streamline dam safety regulations in Nevada, clarify oversight responsibilities, and align statutory language with modern standards and current practice. It modernizes the definitions of dams under state jurisdiction, updates the noticing requirements, and affirms the Division's role in inspections and emergency actions.

Committee members largely seemed supportive of the overall goal to enhance public safety and remove outdated provisions. Concerns centered primarily on liability language (Section 1), potential federal exemptions (FERC, tribal), and ensuring no unintended

loopholes. With minimal public opposition and a proposed friendly amendment, the committee indicated it would continue to review AB26 before potentially moving it forward.