

About the Legislative Update

This report, compiled by the Water Strategy Group ("WSG") and Meridian Nevada ("Meridian"), 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
16-May	Fri	Committee Passage (Second House)
17-May	17-May Sat Finish Budget Differences	
23-May	Fri	Second House Passage
28-May	Wed	Budget Bills Introduced and Exempt Bills from Committee
2-Jun	Mon	Last Day of Regular Legislative Session.

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.

AB104 / SB36

These are related bills that propose the creation of a 'Nevada Water Buy-Back Initiative' for retiring water rights with the program intended to 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 and SB36. Both bills were modified by the Legislative

Council Bureau (LCB) after passage out of their respective Committees.

AB419

As originally introduced, this bill would have, among other things, require State Engineer comply with Administrative Procedures Act for adopting regulations. Other proposals in the original bill include would have required new regulations to establish a pre-application review process, with 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 have revised provisions relating to judicial review decisions by the State Engineer. The current version of the bill has been substantially reduced (in scope) with only Sections 4 and 10 (portions) remaining. See below for additional details.

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.



Truckee river.

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.

Weekly Highlights

The 83rd Nevada Legislative Session began on Monday, February 3, 2025. Each week, WSG will use this Section to describe certain developments with tracked legislation and interpretations of select bills that will help each client assess potential implications to their business. This information is intended 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.

WSG continues monitoring and engaging on 17 bills, but this coming week has a key deadline for second house passage after which many of these bills may not move forward. Additionally, as shown in the Exhibit 1 tracking table, a handful of bills are currently stuck in financial committees. Based on the recent Economic Forum report showing an estimated \$191 million shortfall over the next biennium, bills with fiscal notes are not likely to make it out of their respective committees.

This past week was important in terms of bills that we are tracking and engaged on. For the second week in a row, WSG and Meridian spent most of our time working on SB31 and AB104 as explained below.

SB31 Background

WSG commented extensively on this bill and our opposition in our March 9^{th} (Week 5), April 6^{th} (Week 9), April 13^{th} (Week 10), April 19^{th} (Week 11), April 26^{th} (Week 12), and May 3 (Week 13) reports.

On Tuesday, May 6th, WSG and Meridian coordinated with the Nevada Farm Bureau in meeting with most of the Assembly Natural Resources Committee members including a second meeting with Assemblyman Howard Watts to discuss our concerns with SB31. Our discussions during these meetings were focused on educating the committee members, explaining our proposed amendment (see Exhibit 3), and discussing potential questions for them to ask of the State Engineer during the hearing on May 7th. These meetings all went well except the WSG/Meridian meeting with the Chairwoman Anderson, who expressed concern that we were working with Assemblyman Watts on our amendment instead of her. Despite both Watts and Anderson being Democrats, our interaction with Ms. Anderson on SB31 and her comments were strange.



Reese River flowing through a BTAZ Nevada property near Austin, NV. Historic diversion from the late 1800s.

WSG also met with the State Engineer and Director Settelmeyer later in the day on Tuesday. That meeting went well and after explaining to the State Engineer how this bill could affect a project like what we are working on in the Reese River for BTAZ Nevada, they finally seemed to understand our concern. The State Engineer also indicated that he generally supported our amendment. However, he also expressed concern with the Eureka County language pertaining to filing amended claims after the 2027 deadline. We agreed that we could already supplement existing claims regardless of the deadline so removing that part of the amendment was fine; see Exhibit 3.

In advance of the May 7th hearing, WSG and the NDWR provided some statistics on the types and numbers of claims filed by the Federal Government:

	Total Claims	12,242
Nevada	Vested	8,562
	Decreed	2,175
	Vested	1,847
Fed. Gov.	Reserved	1,505
	Decreed	142

22% Of vested claims in Nevada

29% Of all filed claims

Feds have filed 22% of all vested claims in Nevada Feds have filed 29% of all claims (VST,RES,DEC) in Nevada See additional details in Exhibit 3 on vested claims filed as provided by NDWR.

During the SB31 hearing, several references were made to the amendment that WSG/Meridian had circulated, which was similar to the Eureka County amendment posted as a hearing Exhibit. There were also several references made to the need for an interim study to address Nevada's adjudication statutes in developing a more efficient process for adjudicating vested claims throughout the entire state, thereby allowing the Federal Government to participate under the McCarron Act, as required.

It is also worth noting that that former Senator Pete Goicoechea testified in opposition to SB31 as presented by NDWR, which we believe will help our cause in getting this bill fixed. We also learned on Friday (May 9th) that the State Engineer had reached out to Paul Taggart (attorney who has been helping us with SB31) expressing interest in getting our amendment, or something similar, to the Committee in advance of the anticipated Work Session later this week.

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 supported the language, but those of us who advocate for maximizing beneficial use saw a major problem. In our opinion, if a previously overpumped 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 committees, Section 2 was revised as recommended by WSG and Section 3 was removed.

As we have previously reported, 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.

As reported in detail in our Weeks 12 and 13 reports, in advance of the floor votes in their respective houses, the LCB added the original language back into Sections 2 and 3 claiming it was necessary for 'conforming' purposes. This was a major problem because if either (AB104 or SB36) were to pass with Sections 2 and 3, as originally introduced, it would tie the hands of the State Engineer and prevent him from considering/approving any applications for new water rights in basins where retirements have occurred. In conversations with the State Engineer. Fortunately, an amendment put forward by the State Engineer was well-received during the Natural Resources Committee hearing this past Thursday (May 8th). The Section 2 and 3 amended language supported by WSG is summarized below:

- 20 2. Except as otherwise provided in subsection 10, [where there]
 21 the State Engineer shall reject an application and refuse to issue
 22 the requested permit if:
- 23 (a) There is no unappropriated water in the proposed source of supply [, where the];
- 25 (b) The groundwater that has not been committed for use has been reserved pursuant to NRS 533.0241;
 - (c) The application requests a change to or reinstatement of groundwater rights that have been retired pursuant to section 4 of this act; or where its
- (d) The proposed use or change conflicts with existing rights or
 with protectable interests in existing domestic wells as set forth in
 NRS 533.024 [.] or threatens to prove detrimental to the public
- interest . [, the State Engineer shall reject the application and refuse
 to issue the requested permit.]

AB419 Background

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This is another bill in which WSG has been actively engaged and we reported extensively on it last week where it passed out of committee with only Sections 1, 4, and 10 included. It is now stuck in the Ways and Means Committee, where it has not been scheduled for a hearing yet. However, WSG is aware that the bill sponsor is making progress in getting the fiscal note removed.

Below is an updated summary of the portions of AB419 that passed out of committee are currently being developed with the bill sponsor (Assemblyman DeLong), as summarized below:

- A provision which would require the Nevada Division of Water Resources to submit a report by September 15th, of each even numbered year, before the next Legislative Session (this report would cover all applications which haven't received a final decision after two years – it would also cover the primary reason for the decision to not have been reached after the two years);
- 2. A provision which seeks to have the State Engineer to adopt regulations to establish a pre-application process to discuss a proposed application to identify potential barriers to approve the application; and (Note that WSG has learned that this portion of the bill has been removed for now)
- 3. A provision which directs that regulatory actions would go through a required process of using select portions of the Administrative Procedures Act.

Based on the limited scope in what passed in AB419, WSG is now supportive and will continue working to help get this bill passed without placing an unreasonable (increased burden) on the NDWR.

AB9 Background

WSG has been quiet regarding this bill over last several weeks, but it was stated during last few week's of NvMA meetings that the Association was now opposed to the bill. Even though no reason was provided for this sudden change, it is clear that the Mining Association is now better aligned with the original position taken by WSG in opposing this bill as stated in our Exhibit posted on NELIS at:

 2025 AB9 Testimony in Opposition - Water Strategy Group submitted by Jay Dixon

According to the NvMA, this bill will likely NOT make it out of the Assembly Ways & Means Committee, which is a great outcome (for now).

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.

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>	BILL	BILL MEETING & HEARING NOTES (EXHIBIT 2)	RESULT
5-May	SB143	Hearing on SB143 - Allowing Interim NR 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.	<u>heard</u>
7-May	<u>SB31</u>	Hearing on SB31 - relating to vested water rights and the deadline for their filing	<u>heard</u>
8-May	<u>AB104</u>	Hearing on AB104 - Would require the State Engineer to retire certain water rights; creating the Account for Retiring Water Rights; establishing the Nevada Voluntary Water Rights Retirement Program.	<u>heard</u>
<u>8-May</u>	<u>AB132</u>	Hearing on AB132 - requirements for wildlife water guzzlers.	<u>heard</u>

Upcoming Meetings / Hearings

Bills that passed out of 1st house committees will be scheduled for money committees, floor sessions and votes in the coming weeks.

DATE	DAY	BILL HEARING LINK
12-May	Mon	Hearing on SB276 - Seeks to establish provisions governing the reporting and sharing of water-related information by certain gov. entities and Indian tribes.

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:

- 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 5/9/25

BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
				Water Resources Bills		
17-10	<u>SB143</u>	Senator Nguyen	Provisions relating to water.	Iwater conservation: requiring the NDEP and DCNR	Will monitor and consider after first hearing.	Passed Senate 21-0. Referred to Assembly Natural Resources. Heard on Monday, May 5, 2025. Must pass Assembly NR by Friday, May 16, 2025.
48-391	<u>AB9</u>	Joint Interim Standing Committee on Natural Resources (NRS 218E.320)	temporary conversion	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	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	Passed Assembly Natural Resources. Referred to Assembly Ways and Means because of fiscal note. No Assembly Ways hearing scheduled yet.
22-407	<u>AB10</u>	Assembly Committee on Government Affairs	Revises provisions relating to local improvement	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.	Passed Assembly 37-5 (Rs Cole, Dickman, Gallant, Gray, and Hafen NOs). Referred to Senate Government Affairs. No hearing yet scheduled. Needs to pass Senate GA by Friday, May 16, 2025.





BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
48-261	<u>AB26</u>	Division of Water Resources	Revises various	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.	Passed Assembly 42-0. Heard in Senate Natural Resources on Thursday, April 24, 2025. Needs to pass Senate NR by Friday, May 16, 2025.
48-383	<u>AB104</u>	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, which passed out of Committee. However, 3 weeks ago it was discovered that the LCB had added the previously removed language back into Sections 2 and 3 claiming it was 'necessary conforming.' This major change to the bill that passed out of the Assembly. Based on the unnecessary LCB amendment, WSG was opposed to this bill. Last week in advance of the Senate hearing, NDWR offered a reasonable solution for Sections 2 and 3 (see report). WSG is now neutral on this bill, but close monitoring and engagement will be required as this moves through the Senate.	Thursday, May 8, 2025. Needs to pass Senate NR by Friday, May 16, 2025.





BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
				Water Resources Bills		
48-586	<u>AB132</u>	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.	Passed Assembly 42-0. Referred to Senate Natural Resources. Heard in Senate NR on Thursday, May 8, 2025. Needs to pass Senate NR by Friday, May 16, 2025.
48-385	<u>AB363</u>	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 overpumping 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.	Passed Assembly Natural Resources. Referred to Assembly Ways & Means because of fiscal note. No Assembly Ways & Means hearing scheduled.
48-736	<u>AB419</u>	Assemblyman DeLong	Revises provisions relating to applications concerning water rights.	Originally a massive bill that would completely altered the NV Div. of Water Resources by double the size of their staff. A substantially scaled down bill, via a last minute amendment, passed out of a special Work Session. As amended and passed: (Section 1) requiring regulations for the preapplications meetings with State Engineer, (Section 4) biennual reporting to the Leg. by the State Engineer on delayed applications and rulings (more than 2 years), and (Section 10) requires the State Engineer to explain why a decision is made against prior precedent when applicable.	WSG remains neutral and will remain engaged on this bill.	Referred from Assembly Natural Resources without recommendation to the Assembly Ways & Means Committee. No Assembly Ways & Means hearing scheduled.





BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
				Water Resources Bills		
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.	WSG is Neutral.	Passed Senate Natural Resources. Pulled into Senate Finance because of an appropriation. No Senate Finance hearing scheduled.
48-260	<u>SB31</u>	Division of Water Resources	Revises provisions relating to the adjudication of vested water rights	Seeks to exempt federal agencies from filing claims	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 working with Taggart & Taggart on an amendment that we'll likely try to get introduced in the Assembly.	Passed Senate Floor 15-6 (All Rs NO except Rogich and Steinbeck. *Titus read WSG/Meridian floor statement against SB31). Referred to Assembly Natural Resources where WSG is working to amend the bill. Heard on Wednesday, May 7, 2025. Must pass Assembly NR by Friday, May 16, 2025.
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 providing other matters properly relating thereto.	on an apparent change prior to noor	Passed Senate Natural Resources. Referred to Senate Finance because of fiscal note. No Senate Finance hearing scheduled.





BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
				Water Resources Bills		
40-750	<u>SB276</u>	Numerous Sponsors	reporting and sharing of water-related information by certain	unincorporated town, district, water authority, and Indian tribes to provide certain notifications to other related entities when applying for a permit to	WSG is currently neutral, but will closely monitor. It should be noted that bill has an 'unfunded mandate' on it.	Passed Senate Floor 21-0. Referred to Assembly Natural Resources. Scheduled to be heard in Assembly NR on Monday, May 12, 2025. Must pass Assembly NR by Friday, May 16, 2025.





In-Session Tracking (Select Natural Resources Bills)

Updated on 5/9/25

Bills that were pulled into money committees, or appear likely to be pulled in due to a fiscal not or unfunded mandate.

Bills that received a floor vote.

BDR	Bill	Sponsor	Bill Description	Overview	Status / Position	BILL STATUS
				Select Environmental & Natural Resources Bills		
42-265	<u>AB40</u>	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.	Passed Assembly Floor Vote 41-1 (R-Kasama NO). No hearing yet scheduled. Needs to pass Senate NR by Friday, May 16, 2025
18-214	<u>AB242</u>	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.	Passed Asm Government Affairs. Pulled into Assembly Ways & Means. No hearing scheduled.
10-679	<u>AB429</u>	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.	Passed Assembly Floor Vote 42-0. Referred to Senate Natural Resources. Heard on Tuesday, April 29, 2025. Needs to pass Senate NR by Friday, May 16, 2025.





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. 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	WSG is neutral.	Passed Senate Floor Vote 18-3 (Rs Buck, Ellison, Titus NOs). Referred to Assembly Natural Resources. Heard on Wednesday, April 30, 2025.
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.	Iconsulting tribal governments when engaged in the	WSG is neutral.	Passed Senate Natural Resources. Pulled into Senate Finance. No hearing scheduled.

EXHIBIT 2 – Hearing & Meeting Notes

SB 31 — Revision to Vested-Rights Adjudication (federal exemption on filing deadline)

Heard Assembly Natural Resources - Wednesday, May 7, 2025

Summary

The bill strikes the statewide 12-31-2027 "proof-of-claim" deadline with respect to federal vested water-right claims only. (The 2027 deadline was created in 2017 for everyone else.) State Engineer Adam Sullivan and Deputy Administrator James Bolotin testified that, without this change, Nevada will almost certainly be sued by the U.S. Department of Justice once the Division rejects late federal filings after 2027. They cited the Ninth-Circuit decision in *United States v. Oregon* (1994), where Oregon lost on identical facts. The McCarran Amendment waives federal sovereign immunity only inside a specific adjudication opened by the state; a statewide, pre-adjudication filing deadline sits outside that waiver. Therefore, imposing the deadline on the United States is unenforceable, and Nevada would lose the same litigation Oregon lost. Removing the deadline for federal claims is administratively safer and still allows the State Engineer to compel federal participation the moment an adjudication of a particular basin is opened.

Committee Questions

Legislators focused on fairness and litigation timing. Assemblyman De Long asked whether Nevada could postpone the fix until the 2027 session; the Division answered that litigation would not be "ripe" until after the deadline passes, but adopting the fix now provides certainty. Assemblywoman Kasama explored ways to entice federal agencies to file earlier; staff said the McCarran waiver simply does not allow compulsion until adjudication. Assemblywoman Hansen asked for a basic explanation of the difference between federal reserved rights (water implicitly set aside when the federal government withdraws land for a purpose, e.g., a national park) versus federal vested rights (rights acquired like any other pre-statute user). Hansen also flagged a constitutional concern: the same statute removes private vested rights if the private claimant misses 2027, which could trigger a takings or due-process lawsuit. Assemblyman Gur requested numbers: DWR reported 1,838 federal vested proofs already filed; 1,872 proofs total (federal plus private) filed statewide since the 2017 act.

Amendments

Eureka County circulated an amendment that would clarify whether non-federal claimants can add evidence after 2027 and would spell out adjudication procedures. Sullivan said parts were fine but other parts risked undercutting the statutory deadline. No committee vote occurred; the amendment is still "conceptual."

Support, Opposition, Neutral

Supporters included Pyramid Lake Paiute Tribe and a U.S. Air Force attorney (Captin Kyle Hoffmeister) who explained that Nellis, Creech and the Nevada Test and Training Range rely on federally held vested stock-watering claims. They want certainty that their claims cannot be dismissed. Opposition came from private stockmen and agriculture groups. Joe Guild, a Carson River ranch owner and water lawyer, argued the change "gives the federal government an unfair preference" and that, by *Oregon* logic, the entire 2027 deadline may crumble; he prefers a broader interim review. Nevada Farm Bureau and Nevada Cattlemen's Association made the same fairness plea. Former State Senator Pete Goicoechea echoed that view, warning that litigation will happen with or without the bill. Paul Taggart, a Reno water-rights attorney, testified neutral: he thinks the deadline is vulnerable to constitutional attack but supports cleaning up the McCarran flaw while launching a full interim study of adjudication procedures.

Closing statements

State Engineer Sullivan closed by confirming the agency supports the amendment "in concept" and needs a clean statutory path before 2027 to avoid litigation headaches.

SB 143 — Interim Review of Turf Removal, Tree Canopy and "Excess-Use" Water-Rate Equity

Heard Assembly Natural Resources - Monday, May 5, 2025

Summary

Senator Rochelle Nguyen introduced SB 143 to confront what she calls "disproportionate conservation burdens" on older Las Vegas neighborhoods. Her district contains large-lot parcels with mature 50- to 70-year-old trees. Only City of Las Vegas and unincorporated Clark County residents pay the Southern Nevada Water Authority's "excessive use charge"; Henderson, North Las Vegas and Boulder City customers do not. Residents also complained that wholesale turf-removal programs—a centerpiece of Assembly Bill 356 (2021)—are killing shade trees and worsening heat-island effects. The original draft required legislative staff to conduct a seven-state comparative study of water-rate structures and conservation programs, which proved too costly and drew an LCB fiscal note.

Nguyen submitted a same-day conceptual amendment that eliminates the formal outside study and instead tasks the interim Legislative Committee on Natural Resources with holding hearings on a short list of fairness questions: (1) lot-size-based excess-use

charges, (2) whether grass located under trees or on slopes should remain "functional" and therefore allowed, (3) protecting existing mature tree canopy, (4) ensuring penalties are applied evenly across jurisdictions and customers, and (5) environmental standards governing substitute materials, including artificial-turf toxicity and surface-temperature impacts.

Dr. Kelly Kopp, Utah State University professor of landscape water conservation, joined by Zoom. She described research showing artificial turf temperatures in desert summers reach 165 °F, asphalt hits 136 °F and natural grass sits around 104 °F, meaning turf removal can make surfaces 60 degrees hotter. An Israeli field study found the coolest urban micro-climates occur where trees and grass are combined; shade mesh alone sometimes increased temperature. Kopp also summarized California's experience: voluntary turf-rebate programs there caused mass tree mortality when lawn irrigation disappeared, prompting California's pending AB 1572 to exempt grass under trees. Her conclusion: grass under trees is hydrologically efficient (50 percent less irrigation than open turf) and climatically essential.

Committee Questions

Assemblyman De Long pressed the sponsor on how an interim committee—without extra staff money—could gather multistate data. Nguyen replied that hearing testimony from invited experts is cheaper than a commissioned report. De Long asked whether the bill conflated two studies (interstate water-rate comparison and Las Vegas fairness); Nguyen said both remain relevant because Colorado-River-basin neighbors set precedents. De Long also wondered if the solution might be to impose the same "excessive use" penalties on Henderson and Boulder City instead of relaxing them in Las Vegas; Nguyen said that equity question is precisely what the interim hearings should analyze.

Assemblywoman Considine asked whether the hearings would target east-side Las Vegas neighborhoods that suffer ten-degree higher night-time temperatures. Nguyen said yes; the interim committee could recommend park investment, mature-tree credits, or banning PFAS-laden artificial turf.

Chair Anderson asked whether the study should instead be conducted by the statutory Subcommittee on Public Lands, which already must review Colorado River Commission activities. Nguyen answered that broader publicity through the full committee would be better, but any interim forum is helpful.

Support

Speakers included arborist Norm Schilling, who said he now watches "tens of thousands of mature trees dying" after turf removal; longtime Las Vegas residents who showed

before-and-after photographs of shrinking shade at Davis Park; Nevada Conservation League; Water Fairness Coalition; and climate-justice advocates who fear artificial turf's PFAS content. No one testified in formal opposition. Southern Nevada Water Authority's Andy Belanger testified neutral, promising to explain SNWA's rationale during interim hearings and noting that AB 356 does not apply to single-family lawns.

AB 104 — Comprehensive Water Package Featuring the Voluntary Groundwater-Rights Retirement Program

Heard Senate Natural Resources - Thursday, May 8, 2025

Summary

The concept arose in the Joint Interim Standing Committee on Natural Resources. After ARPA money funded a one-time pilot that retired roughly 21,000 acre-feet statewide, stakeholders wanted a permanent statutory platform. A working group—mining, agriculture, counties, water suppliers, environmental NGOs, state agencies—met for 17 months, weekly during session, to craft the bill.

Structural pieces of the bill

- 1. Nevada Conservation and Recreation Program is created inside DCNR as an umbrella for grant programs. (This is merely an administrative "slot"—no new positions or dollars.)
- 2. Account for Retiring Water Rights is established in the state general fund but with no transfer; DCNR must rely on gifts, federal grants, private donations. Interest earnings remain in the account and cannot revert.
- 3. Voluntary Water-Rights Retirement Program is embedded in that new DCNR program. The director can purchase adjudicated (decreed) groundwater rights from willing sellers when the basin is already under an order closing new appropriations or when retiring the right will help protect domestic wells, natural resources or declining water tables. After purchase, the director files an instrument with the State Engineer; the State Engineer must forever reject any application that seeks to resurrect the retired water. The program sunsets June 30, 2035. Sponsors inserted the sunset to entice sellers to come forward early and to allow future legislatures to evaluate effectiveness.

- 4. Grant program tweaks. NRS 349 is amended so grants may be used (a) to fund turf removal in Southern Nevada, (b) to pay for water-rights retirement, and (c) in Clark County only, to offset costs of abandoning septic systems and connecting to sewer.
- 5. Southern Nevada technical changes. Section 5 clarifies the long-standing distinction between temporary and revocable groundwater permits (revocables exist only in Las Vegas Valley) and codifies the 1,250-foot prohibition on drilling a new domestic well within a service area having municipal water lines. Sections 18 and 19 authorize Clark County septic conversion incentives and give NDEP explicit authority to champion water reuse. Section 20 lets the State Environmental Commission adopt water-quality standard variances subject to EPA approval.
- 6. Removed language. Section 21.3, which would have allowed SNWA to spend "excess-use water-fee" revenue on leak repair, septic conversions, street-tree grants, low-income water-bill assistance, and other purposes, caused an uproar among large-lot Las Vegas customers opposed to the fee. Senators Nguyen, Scheible and Cruz Crawford filed a Senate amendment deleting § 21.3. The working group and SNWA accepted its removal to keep the broader retirement program intact.

Committee Questions

Vice-chair Scheible asked why the new DCNR program is necessary. Working-group counsel explained: DCNR must have a named entity in statute to accept outside grant money and run the retirement account, but no staffing is added. Scheible also examined the interplay between the 1,250-foot well prohibition and the Clark County 400-foot septic tie-in rule; SNWA's Belanger clarified they regulate separate services.

Senator Hansen pressed that the money in the new account stays laser-focused on retirement purchases; presenters assured him statutory language restricts expenditures.

Senator Pazina announced that her phone "stopped blowing up" once section 21.3 was removed, confirming constituent anger focused on the excess-use-fee spending list.

Senator Ellison joked that he told every visitor he opposed the bill just to slow the lobbyist parade, but it didn't work.

State Engineer Adam Sullivan testified neutral, congratulated drafters for the clarifying amendments, and warned that the bill must not inadvertently close basins.

Support

- Support came from nearly every organized stakeholder: Nevada Conservation
 League, Truckee Meadows Water Authority, Eureka County, Nevada Farm Bureau,
 The Nature Conservancy, Churchill County, Pew Charitable Trust, Walker Basin
 Conservancy, Great Basin Water Network, Sierra Club, Nevada Mineral Exploration
 Coalition, Nevada Environmental Justice Coalition, mining and agriculture lobbyists,
 and more.
- Opposition: only a single Las Vegas homeowner testified; she fears Section 16
 grants will never cover 100 percent of septic-conversion costs when the nearest
 sewer line is several hundred yards away.
- Neutral: State Engineer alone; he supports concept but remains formally neutral because the retirement program is administered outside his division.

Fiscal impact

The bill carries no appropriation; state agencies removed fiscal notes after grants and staffing were repositioned as outside-funded. The program will stand or fall on the ability of DCNR and partners to secure federal or philanthropic money.

AB32 - Revises provisions relating to water.

Heard Senate Natural Resources - Thursday, May 8, 2025

Summary

Chair Cruz Crawford opened the hearing on AB 132 after rearranging the agenda to tackle this "short" bill first. Assemblyman Toby Yurek (AD-19) introduced the measure, stressing its unanimous Assembly passage and the urgency created by Nevada's protracted drought. The bill doubles the maximum legal capacity of artificial wildlife water developments ("guzzlers") from 20,000 gallons to 40,000 gallons and extends allowable pipeline length from ¼ mile to ½ mile.

Larry Johnson, president of the Coalition for Nevada's Wildlife, explained that roughly 1,790 guzzlers exist statewide—about 1,000 of them large big-game units—and that 489 would be eligible for expansion. Helicopter water-drops this spring cost upwards of \$400,000; larger onsite storage would mitigate similar emergencies. NDOW's Brad Bauman confirmed each guzzler is inspected at least once every three years, often by volunteer crews whose hours help qualify for federal matching funds. No fiscal impact or statutory conflicts were identified, and no amendments were offered.

Committee Questions

Senator Ellison asked who bears maintenance responsibility and voiced concern that defunct guzzlers can lure wildlife to dry sites. Johnson and Bauman replied that NDOW oversees upkeep while sportsmen's groups perform much of the fieldwork. Senator Hansen offered a laudatory statement about Johnson's decades of hands-on work with multiple wildlife-conservation organizations, reinforcing confidence in volunteer capacity. Other members had no substantive questions, and the chair maintained a cordial tone, even lightening the exchange with a brief pop-culture reference when Urick momentarily misspoke about "dollars" instead of gallons.

Support

- Nevada Conservation League Christy Cabrera Jesús, Deputy Director
- Nevada Department of Wildlife (NDOW) Brad Bauman, Wildlife Staff Specialist and statewide guzzler program manager
- Sierra Club, Toiyabe Chapter Olivia Tanager, Representative
- Public call-in line: open and functional, but no additional callers.
 All supporters emphasized the low-impact, high-value nature of guzzlers for sustaining biodiversity, reducing emergency water-hauling costs, and mitigating drought stress across multiple species.

EXHIBIT 3 – Legislative Reviews

Proposed Amendments to SB31

(Proposed by Water Strategy Group)

Section 1. NRS 533.087 is hereby amended to read as follows:

- 1. A claimant of any vested water right must submit, on a form prescribed by the State Engineer, proof of the claim to the State Engineer on or before December 31, 2027. If a claimant fails to file such proof on or before December 31, 2027, the claim shall be deemed to be abandoned.
- 2. Until December 31, 2027, the State Engineer shall cause notice of the provisions of subsection 1 to be:
- (a) Published annually for 4 consecutive weeks in at least one newspaper of general circulation within the boundaries of each groundwater basin throughout the State.
 - (b) Posted on the Internet website maintained by the State Engineer.
- 3. A federal agency claiming rights in any capacity, including a trust capacity, shall be exempted from the provisions of this Section unless it claims a vested or reserved right in a water source or which the State Engineer has initiated an adjudication through an order for the determination of the relative rights of the water source pursuant to NRS 533.090.

Sec. 2. NRS 533.095 is hereby amended to read as follows:

1. As soon as practicable after the State Engineer enters an order granting the petition or selecting the streams upon which the determination of rights is to begin, the State Engineer shall prepare a notice setting forth the fact of the entry of the order and of the pendency of the proceedings.

2. The notice shall set forth:

- (a) That all claimants to rights in the waters of the stream system are required, as provided in this chapter, to make proof of their claims or amend a proof of claim filed pursuant to Section 1 of this act except claimants who submitted proof of their claims pursuant to NRS 533.087;
- (b) The date on which the State Engineer will commence taking proofs of appropriation regarding the rights in and to the waters of the stream system;
- (c) The date by which all proofs of appropriation, or amendments to proofs of appropriation filed pursuant to Section 1 of this act, must be filed; and
- (d) That all proofs of appropriation must be accompanied by maps prepared in accordance with and depicting any information required pursuant to NRS 533.100 and 533.115.
- 3. The notice shall be published for a period of 4 consecutive weeks in one or more newspapers of general circulation within the boundaries of the stream system.

- 4. At or near the time of the first publication of the notice, the State Engineer shall send by mail to each person, or deliver to each person, in person, hereinafter designated as claimant, claiming rights in or to the waters of the stream system, insofar as such claimants can be reasonably ascertained, a notice equivalent in terms to the published notice setting forth the date when the State Engineer will commence the taking of proofs, and the date prior to which proofs must be filed with the State Engineer. The notice must be mailed at least 30 days prior to the date fixed for the commencement of the taking of proofs. The date set prior to which the proofs must be filed shall not be less than 60 days from the date set for the commencement of taking proofs. The notice shall be deemed to be an order of the State Engineer as to its contents.
- **Sec. 4.** The Joint Interim Standing Committee on Natural Resources shall conduct a study during the 2025-2026 interim regarding the deadline mandated in Section 1 and methods, means, and resources needed to (1) make the deadline applicable to federal agencies consistent with the federal McCarran Amendment (43 U.S.C. § 666), and (2) ensure the deadline's compatibility with Nevada's non-impairment doctrine (NRS 533.085). Among the items to be studied shall be the possibility of directing the State Engineer to initiate a statewide adjudication of water resources and identifying any resources the State Engineer might need to accomplish that task. The Committee shall include its findings and recommendations for legislation by subsection 4 of NRS 218E.330 to be prepared and submitted to the Director of the Legislative Counsel Bureau for transmittal to the 84th Session of the Legislature.

From: Cathy Erskine <c.erskine@dcnr.nv.gov>

Sent: Tuesday, May 6, 2025 12:56 PM

To: jdixon@dixonhydro.com **Subject:** Vested Claim Stats

Jay-

The day got away from me yesterday and I forgot to pass these stats along.

There have been 1,838 vested claims filed by federal entities. The majority of these were filed by USFS for stock (1,360) and BLM for stock (439). Also the majority (~70%) of these were filed on the currently active adjudications. Below is a count of all the federal claims by source.

LAK	6
OSW	21
RES	6
SPR	1454
STR	346
UG	5
Grand Total	1838

Regarding the number of vested claims since the deadline was put into place in 2017, here is a chart that shows that data:

2015	22
2016	302
2017	90
2018	274
2019	285
2020	119
2021	232
2022	52
2023	303
2024	185
2025	8
Grand	
Total	1872



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