
SENATE BILL NO. 2—COMMITTEE OF THE WHOLE

DECEMBER 18, 2015

Referred to Committee of the Whole

SUMMARY—Makes various changes relating to determination of water rights in an area of qualified project for economic development. (BDR 32-12)

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

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

AN ACT relating to economic development; revising provisions governing applications for permits relating to water rights in an area in which a qualified project for economic development is located; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law and pending legislation provide for a grant of transferable tax
2 credits and an abatement of taxes in connection with certain economic development
3 projects, defined as “qualified projects.” (NRS 360.945 and section 11 of Senate
4 Bill No. 1 of this session) Existing law also prescribes the procedures for
5 applications for permits relating to water rights. (Chapter 533 of NRS) This bill
6 authorizes the State Engineer to expedite action on an application for a permit
7 relating to water rights in an area in which a qualified project is located, upon the
8 receipt of notice from the Executive Director of the Office of Economic
9 Development that the qualified project is an economic development priority of the
10 State and that expedited action is necessary. This bill also provides specific
11 procedures with respect to such an expedited application which involves a change
12 of the point of diversion, place of use or manner of use of an existing water right
13 that lies within a basin that has certain connections to and is managed jointly with
14 one or more other basins.



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

1 **Section 1.** Chapter 360 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *If the Executive Director of the Office of Economic*
4 *Development determines that a qualified project is an economic*
5 *development priority of the State and that an expedited*
6 *determination of water rights in the area in which the qualified*
7 *project is located is necessary, the Executive Director may provide*
8 *notice of his or her determinations to the State Engineer.*

9 2. *Upon receipt of the notice described in subsection 1, the*
10 *State Engineer may expedite action on any application for a*
11 *permit to change the point of diversion, place of use or manner of*
12 *use of an existing water right to which the notice pertains.*

13 3. *Notwithstanding any other provision of law to the contrary,*
14 *if an application for a permit which is subject to the expedited*
15 *process authorized by subsection 2 involves a change of the point*
16 *of diversion, place of use or manner of use of an existing water*
17 *right which lies within a basin that shares a unique and close*
18 *hydrological connection to another basin or basins and is*
19 *managed jointly as a single source and supply of water with the*
20 *other basin or basins pursuant to a ruling of the State Engineer*
21 *made before the effective date of this act, any action taken by the*
22 *State Engineer with regard to the application or any permit issued*
23 *as a result of the approval of the application is subject to protest*
24 *and appeal only by a person who holds a water right in such a*
25 *basin or basins or the owner of a domestic well in such a basin or*
26 *basins.*

27 4. *As used in this section, "qualified project" has the*
28 *meaning ascribed to it in NRS 360.940 or section 10 of Senate Bill*
29 *No. 1 of this session.*

30 **Sec. 2.** Section 1 of this act is hereby amended to read as
31 follows:

32 Section 1. Chapter 360 of NRS is hereby amended by
33 adding thereto a new section to read as follows:

34 1. If the Executive Director of the Office of Economic
35 Development determines that a qualified project is an
36 economic development priority of the State and that an
37 expedited determination of water rights in the area in which
38 the qualified project is located is necessary, the Executive
39 Director may provide notice of his or her determinations to
40 the State Engineer.

41 2. Upon receipt of the notice described in subsection 1,
42 the State Engineer may expedite action on any application for



1 a permit to change the point of diversion, place of use or
2 manner of use of an existing water right to which the notice
3 pertains.

4 3. Notwithstanding any other provision of law to the
5 contrary, if an application for a permit which is subject to the
6 expedited process authorized by subsection 2 involves a
7 change of the point of diversion, place of use or manner of
8 use of an existing water right which lies within a basin that
9 shares a unique and close hydrological connection to another
10 basin or basins and is managed jointly as a single source and
11 supply of water with the other basin or basins pursuant to a
12 ruling of the State Engineer made before the effective date of
13 this act, any action taken by the State Engineer with regard to
14 the application or any permit issued as a result of the approval
15 of the application is subject to protest and appeal only by a
16 person who holds a water right in such a basin or basins or
17 the owner of a domestic well in such a basin or basins.

18 4. As used in this section, "qualified project" has the
19 meaning ascribed to it in NRS 360.940 . ~~for section 10 of~~
20 ~~Senate Bill No. 1 of this session.~~

21 **Sec. 3.** 1. This section and section 1 of this act become
22 effective upon passage and approval.

23 2. Section 2 of this act becomes effective on July 1, 2032.

24 3. Sections 1 and 2 of this act expire by limitation on June 30,
25 2036.



