ASSEMBLY BILL NO. 403–ASSEMBLYMEN SHERER, KNECHT, BROWN, COLLINS, CONKLIN, HETTRICK AND MARVEL

MARCH 17, 2003

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing forfeiture of certain water rights. (BDR 48-818)

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 water; providing that forfeiture of certain water rights is tolled if the Governor declares a drought; requiring the Governor to declare a drought under certain circumstances; and providing other matters properly relating thereto.

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

Section 1. NRS 534.090 is hereby amended to read as follows: 1 2 534.090 1. Except as otherwise provided in this section, failure for 5 successive years after April 15, 1967, on the part of the holder of any right, whether it is an adjudicated right, an 5 unadjudicated right, or a permitted right, and further whether the right is initiated after or before March 25, 1939, to use beneficially 7 all or any part of the underground water for the purpose for which the right is acquired or claimed, works a forfeiture of both 8 undetermined rights and determined rights to the use of that water to the extent of the nonuse. For water rights in basins for which the State Engineer keeps pumping records, if the records of the State 11 12 Engineer indicate at least 4 consecutive years, but less than 5 consecutive years, of nonuse of all or any part of such a water right 13 which is governed by this chapter, the State Engineer shall notify 14 the owner of the water right, as determined in the records of the 15 Office of the State Engineer, by registered or certified mail that he



has 1 year after the date of the notice in which to use the water right beneficially and to provide proof of such use to the State Engineer 2 or apply for relief pursuant to subsection 2 to avoid forfeiting the water right. If, after 1 year after the date of the notice, proof of beneficial use is not sent to the State Engineer, the State Engineer 5 shall, unless he has granted a request to extend the time necessary to 7 work a forfeiture of the water right, declare the right forfeited within 30 days. Upon the forfeiture of a right to the use of ground water, the water reverts to the public and is available for further appropriation, subject to existing rights. If, upon notice by registered 10 or certified mail to the owner of record whose right has been 11 declared forfeited, the owner of record fails to appeal the ruling in 12 the manner provided for in NRS 533.450, and within the time 13 provided for therein, the forfeiture becomes final. The failure to 15 receive a notice pursuant to this subsection does not nullify the forfeiture or extend the time necessary to work the forfeiture of a 16 water right. 17

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

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- (a) Whether the holder has shown good cause for his failure to use all or any part of the water beneficially for the purpose for which his right is acquired or claimed;
- (b) The unavailability of water to put to a beneficial use which is beyond the control of the holder;
- (c) Any economic conditions or natural disasters which made the holder unable to put the water to that use; and
- (d) Whether the holder has demonstrated efficient ways of using the water for agricultural purposes, such as center-pivot irrigation.
- The State Engineer shall notify, by registered or certified mail, the owner of the water right, as determined in the records of the Office of the State Engineer, of whether he has granted or denied the holder's request for an extension pursuant to this subsection.
- 3. If the failure to use the water pursuant to subsection 1 is because of the use of center-pivot irrigation before July 1, 1983, and such use could result in a forfeiture of a portion of a right, the State Engineer shall, by registered or certified mail, send to the owner of record a notice of intent to declare a forfeiture. The notice must provide that the owner has at least 1 year from the date of the notice



to use the water beneficially or apply for additional relief pursuant to subsection 2 before forfeiture of his right is declared by the State Engineer.

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- 4. If the Governor declares a drought pursuant to this subsection, the time limitation set forth in subsection 1 is tolled for 1 year. The Governor shall declare a drought for the purposes of this subsection for a hydrographic basin which the Palmer Drought Severity Index indicates on weekly maps has extreme drought conditions more than 8 consecutive weeks.
- 10 5. A right to use underground water whether it is vested or 11 otherwise may be lost by abandonment. If the State Engineer, in 12 investigating a ground water source, upon which there has been a prior right, for the purpose of acting upon an application to appropriate water from the same source, is of the belief from his 13 14 examination that an abandonment has taken place, he shall so state 15 in his ruling approving the application. If, upon notice by registered 16 or certified mail to the owner of record who had the prior right, the 17 owner of record of the prior right fails to appeal the ruling in the 18 manner provided for in NRS 533.450, and within the time provided 19 for therein, the alleged abandonment declaration as set forth by the State Engineer becomes final. 21 22
 - **Sec. 2.** This act becomes effective on July 1, 2003.



