

ASSEMBLY BILL NO. 190—ASSEMBLYMEMBER GURR

PREFILED FEBRUARY 3, 2025

Referred to Committee on Natural Resources

SUMMARY—Revises provisions relating to water. (BDR 48-886)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Contains Appropriation not included
in Executive Budget.

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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; creating the Fund for Hydrological Studies to make grants of money for hydrological studies in certain counties; revising provisions governing the payment of the cost of a hydrological study required by the State Engineer in certain counties; making an appropriation to the Fund to be used for such grants of money; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law: (1) authorizes the State Engineer to require a hydrological, environmental or any other study be conducted before the State Engineer approves or rejects an application to apply water to beneficial use if such a study has not been conducted by the applicant, a governmental agency or other person or the study is not available; and (2) requires the applicant to bear the full cost of the study. (NRS 533.368, 533.370) Any money collected from the applicant to perform the study is required under existing law to be deposited in the Account for Studies Concerning Water and used to defray the costs of conducting these studies and certain inventories. (NRS 533.369)

Section 1 of this bill creates a Fund for Hydrological Studies and, with certain exceptions, requires, for a hydrological study which is required by the State Engineer to be conducted in a county whose population is less than 100,000 (currently all counties other than Clark and Washoe Counties): (1) an applicant to pay a deposit to defray 50 percent of the cost of such a study; and (2) the State Engineer to make a grant of money from the Fund equal to the amount deposited by the applicant to defray the remaining 50 percent of the cost of such a study. **Section 1** further requires, if there is insufficient money in the Fund to make such a grant of money, the State Engineer to make a grant of money from the Account for Studies Concerning Water to cover the remaining costs. If the Account also has insufficient money to cover the remaining amount, **section 1** authorizes the applicant to: (1) pay a cash deposit to the State Engineer in an amount sufficient to defray the remaining



22 cost of the study; or (2) withdraw his or her application and receive a refund of any
23 money deposited pursuant to the provisions of **section 1**. Finally, **section 1** sets
24 forth procedures governing the use of money deposited in the Fund and requires
25 that any money paid by an applicant or the State Engineer that exceeds the amount
26 required to conduct the study be refunded to the applicant, the Fund or Account in
27 an amount which is proportional to the deposits contributed by the applicant or the
28 State Engineer.

29 **Section 2** of this bill authorizes the State Engineer to adopt regulations to carry
30 out the provisions of **section 1** and makes a conforming change to reflect the
31 changes made by **section 1** to the requirements for the defrayment of the cost of
32 certain hydrological studies. **Section 3** of this bill makes a conforming change to
33 reflect the use of money in the Account for such studies.

34 **Section 4** of this bill makes an appropriation to the Fund for grants of money
35 required to be made by the State Engineer pursuant to **section 1**.

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

1 **Section 1.** Chapter 533 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *1. The Fund for Hydrological Studies is hereby created as a*
4 *special revenue fund in the State Treasury.*

5 *2. If a hydrological study is required by the State Engineer*
6 *pursuant to subsection 1 of NRS 533.368 and the study will be*
7 *conducted in a county whose population is less than 100,000,*
8 *except as otherwise provided in subsection 4, the applicant must*
9 *pay a cash deposit to the State Engineer which is sufficient to*
10 *defray 50 percent of the cost of the study.*

11 *3. Upon the applicant paying a cash deposit pursuant to*
12 *subsection 2, the State Engineer shall, except as otherwise*
13 *provided in this section, make a grant of money from the Fund*
14 *equal to the amount deposited by the applicant to pay the*
15 *remaining cost of the study. If there is insufficient money*
16 *available in:*

17 *(a) The Fund, the State Engineer shall make a grant of money*
18 *from the Account for Studies Concerning Water established by*
19 *NRS 533.369 to defray any remaining cost of the study.*

20 *(b) The Account for Studies Concerning Water, the applicant*
21 *may:*

22 *(1) Pay the remaining cost of the study; or*

23 *(2) Withdraw his or her application and receive a refund of*
24 *any money deposited pursuant to subsection 2.*

25 *4. The State Engineer or a person designated by the State*
26 *Engineer shall not conduct a hydrological study required pursuant*
27 *to subsection 1 of NRS 533.368 until the full cost of the study is*
28 *paid in accordance with the requirements of this section.*



1 5. *The money received by the State Engineer pursuant to this*
2 *section must be used to defray the cost of conducting a*
3 *hydrological study in a county whose population is less than*
4 *100,000 which is required pursuant to subsection 1 of NRS*
5 *533.368. Any money paid by an applicant or the State Engineer*
6 *that exceeds the amount required pursuant to subsection 2 to*
7 *conduct a study must be refunded to the applicant or the Fund or*
8 *Account for Studies Concerning Water, as applicable, in an*
9 *amount which is proportional to the deposits contributed by the*
10 *applicant or the State Engineer pursuant to this section.*

11 6. *The interest and income earned on the money in the Fund,*
12 *after deducting any applicable charges, must be credited to the*
13 *Fund.*

14 7. *Any balance remaining in the Fund does not revert to the*
15 *State Treasury at the end of any fiscal year.*

16 **Sec. 2.** NRS 533.368 is hereby amended to read as follows:

17 533.368 1. If the State Engineer determines that a
18 hydrological study, an environmental study or any other study is
19 necessary before the State Engineer makes a final determination on
20 an application pursuant to NRS 533.370 and the applicant, a
21 governmental agency or other person has not conducted such a
22 study or the required study is not available, the State Engineer shall
23 advise the applicant of the need for the study and the type of study
24 required.

25 2. The required study must be conducted by the State Engineer
26 or by a person designated by the State Engineer, the applicant or a
27 consultant approved by the State Engineer, as determined by the
28 State Engineer.

29 3. ~~[The]~~ *Except as otherwise provided in section 1 of this act,*
30 *the applicant shall bear the cost of a study required pursuant to*
31 *subsection 1 ~~[-A]~~ and a study must not be conducted by the State*
32 *Engineer or by a person designated by the State Engineer until the*
33 *applicant has paid a cash deposit to the State Engineer which is*
34 *sufficient to defray the cost of the study.*

35 4. The State Engineer shall:

36 (a) Consult with the applicant and the governing body of the
37 county or counties in which the point of diversion and the place of
38 use is located concerning the scope and progress of the study.

39 (b) Send a copy of the completed study to all attorneys of
40 record, to a public library, if any, or other public building located in
41 the county of origin, to the county or counties in which the point of
42 diversion and the place of use is located and to the governing bodies
43 of the county of origin and of the county or counties in which the
44 point of diversion and the place of use is located.



1 5. The State Engineer may adopt regulations to carry out the
2 provisions of this section ~~§~~ *and section 1 of this act.*

3 **Sec. 3.** NRS 533.369 is hereby amended to read as follows:

4 533.369 1. ~~§~~ *Except as otherwise provided in section 1*
5 *of this act, all* money collected pursuant to subsection 3 of NRS
6 533.364 or subsection 3 of NRS 533.368 must be deposited with the
7 State Treasurer for credit to a special Account for Studies
8 Concerning Water.

9 2. The interest and income earned on the money in the Account
10 for Studies Concerning Water, after deducting any applicable
11 charges, must be credited to the Account.

12 3. ~~The~~ *Except as otherwise provided in section 1 of this act,*
13 *the* money received pursuant to subsection 3 of NRS 533.364 or
14 subsection 3 of NRS 533.368 must be used to defray the cost of
15 conducting the studies required pursuant to subsection 1 of NRS
16 533.368 and the inventories required pursuant to subsection 1 of
17 NRS 533.364. Any money paid by an applicant that exceeds the
18 amount required to conduct a study must be refunded to the
19 applicant.

20 4. Any balance remaining in the Account does not revert to the
21 State General Fund at the end of the fiscal year.

22 **Sec. 4.** 1. There is hereby appropriated from the State
23 General Fund to the Fund for Hydrological Studies created by
24 section 1 of this act for grants of money required to be made by the
25 State Engineer pursuant to section 1 of this act the following sums:

26	For the Fiscal Year 2025-2026.....	\$3,000,000
27	For the Fiscal Year 2026-2027.....	\$2,000,000

28 2. Any balance of the sums appropriated by subsection 1
29 remaining at the end of the respective fiscal years must not be
30 committed for expenditure after June 30 of the respective fiscal
31 years by the entity to which the appropriation is made or any entity
32 to which money from the appropriation is granted or otherwise
33 transferred in any manner, and any portion of the appropriated
34 money remaining must not be spent for any purpose after
35 September 18, 2026, and September 17, 2027, respectively, by
36 either the entity to which the money was appropriated or the entity
37 to which the money was subsequently granted or transferred, and
38 must be reverted to the State General Fund on or before
39 September 18, 2026, and September 17, 2027, respectively.

40 **Sec. 5.** 1. This section and section 4 of this act become
41 effective upon passage and approval.

42 2. Sections 1, 2 and 3 of this act become effective:

43 (a) Upon passage and approval for the purpose of adopting any
44 regulations and performing any other preparatory administrative
45 tasks that are necessary to carry out the provisions of this act; and



1 (b) On July 1, 2025, for all other purposes.

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