

BDR 48-212 AB 109

EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: February 6, 2025

Agency Submitting: State Department of Conservation and Natural Resources, Division of Water Resources

Items of Revenue or Expense, or Both	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Effect on Future Biennia
Personnel Services (Expense) (Expense)		\$255,795	\$261,977	\$523,954
In-State Travel (Expense) (Expense)		\$18,144	\$18,144	\$36,288
Operating Expenses (Expense) (Expense)		\$14,108	\$5,518	\$11,036
OCIO (Expenses) (Expense)		\$13,104	\$3,768	\$7,536
Total	0	\$301,151	\$289,407	\$578,814

Explanation

(Use Additional Sheets of Attachments, if required)

BDR 48-212 (AB109) requires that all water brought to the surface from a geothermal resource is subject to the appropriation procedures outlined in NRS 533 and 534. Section 3 requires a water right to be issued by the Division of Water Resources (NDWR) prior to drilling a geothermal well in Nevada. Section 6 requires the Administrator of the Department of Minerals (NDOM) to transmit a copy of a dissolved mineral application for review. Through this process, the State Engineer required to determine potential impacts to existing rights, protectable interests in existing domestic wells, and the public interest.

NDWR has reviewed this bill and determined that there will be a fiscal impact. All geothermal projects will require a water right before drilling begins. There are over 450 active geothermal wells statewide. Additionally, all dissolved mineral applications would need to be reviewed by the NDWR, with approximately 50 projects statewide, each requiring an analysis for every well.

NDWR would need to review each new proposed geothermal and dissolved mineral well, in accordance with NRS 533 and 534, to assess the impacts of both existing and proposed projects statewide. Each analysis is conducted on a case-by-case basis and may take months to research and analyze the complexity of each individual project.

Due to the amount of work expected, the NDWR cannot absorb these changes.

Name Christopher Thorson

Title Deputy Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

The agency's response appears reasonable.

Date Thursday, February 06, 2025

Name Tiffany Greenameyer

Title Director