

CHAPTER.....

AN ACT relating to water; revising the requirements for determining the amount of matching funds required for certain grants awarded by the Board for Financing Water Projects; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law establishes a program to provide grants of money to certain political subdivisions of this State to pay the costs of certain water projects. (NRS 349.981) The Board for Financing Water Projects awards the grants from money raised by the sale of bonds. (NRS 349.982, 349.986) Recipients of grants for water projects that make capital improvements to certain public water systems that are necessary to make the water safe for drinking and other domestic purposes are required to provide matching funds for each project. Under existing law, the Board calculates the amount of the required matching funds as a percentage of the amount of the grant. (NRS 349.983) This bill requires instead that the amount of the matching funds be calculated as a percentage of the total cost of the project for which the grant is awarded. The Board has considerable discretion in determining the amount of the matching funds, but the Board may not require that the recipient of the grant provide matching funds in an amount which is less than 15 percent or more than 75 percent of the total cost of the project.

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

**Section 1.** NRS 349.983 is hereby amended to read as follows:

349.983 1. Grants may be made pursuant to paragraph (a) of subsection 1 of NRS 349.981 only for the Lincoln County Water District and those community and nontransient water systems that:

- (a) Were in existence on January 1, 1995; and
- (b) Are currently publicly owned.

2. In making its determination of which purveyors of water are to receive grants pursuant to paragraph (a) of subsection 1 of NRS 349.981, the Board shall give preference to those purveyors of water whose public water systems regularly serve fewer than 6,000 persons.

3. Each recipient of a grant pursuant to paragraph (a) of subsection 1 of NRS 349.981 shall provide an amount of money for the same purpose. The Board shall develop a scale to be used to determine that amount, but the recipient must not be required to provide an amount less than 15 percent or more than 75 percent of the ~~amount of the grant.~~ *total cost of the project for which the grant is awarded.* The scale must be based upon the average



household income of the customers of the recipient, and provide adjustments for the demonstrated economic hardship of those customers, the existence of an imminent risk to public health and any other factor that the Board determines to be relevant.

**Sec. 2.** This act becomes effective on July 1, 2009.

