AN ACT relating to water; authorizing grants to pay certain costs associated with connecting to a community sewage disposal system; increasing the amount of general obligation bonds that the State Board of Finance may issue to provide the grants; 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 349.980 is hereby amended to read as follows:

349.980 As used in NRS 349.980 to 349.987, inclusive, unless the context otherwise requires:
1. “Board” means the Board for Financing Water Projects created pursuant to NRS 349.957.
2. “Community sewage disposal system” means a public system of sewage disposal which is operated for the benefit of a county, city, district or other political subdivision of this state.
3. “Community water system” means a public water system which:
   (a) Has 15 or more service connections; or
   (b) Serves 25 or more persons, at places which are intended for year-round occupancy.
4. “Costs of capital improvements to community water systems and nontransient water systems” means the costs traditionally associated with capital improvements to such systems and includes costs associated with the:
   (a) Consolidation of existing systems; and
   (b) Transfer and connection of a public water system to a system owned by a purveyor of water or a public utility.
5. “Division of Environmental Protection” means the Division of Environmental Protection of the State Department of Conservation and Natural Resources.
7. “Individual sewage disposal system” means a single system of sewage treatment tanks and effluent disposal facilities that serves:
   (a) A single-family dwelling; or
(b) One or more buildings that are used exclusively for commercial purposes and are not used as single-family dwellings.

8. “Nontransient water system” means a public water system that regularly serves 25 or more of the same persons for more than 6 months per year, but which is not a community water system.

9. “Public water system” has the meaning ascribed to it in NRS 445A.840.

10. “Purveyor of water” means a political subdivision of this state engaged in the business of furnishing water, for compensation, to persons within the political subdivision.

Sec. 2. NRS 349.981 is hereby amended to read as follows:

349.981 1. There is hereby established a program to provide grants of money to:

(a) A purveyor of water to pay for costs of capital improvements to publicly owned community water systems and publicly owned nontransient water systems required or made necessary by the State Board of Health pursuant to NRS 445A.800 to 445A.955, inclusive, or made necessary by the Safe Drinking Water Act, 42 U.S.C. §§ 300f et seq., and the regulations adopted pursuant thereto.

(b) An eligible recipient to pay for the cost of improvements to conserve water, including, without limitation:

1. Piping or lining of an irrigation canal;
2. Recovery or recycling of wastewater or tailwater;
3. Scheduling of irrigation;
4. Measurement or metering of the use of water;
5. Improving the efficiency of irrigation operations; and
6. Improving the efficiency of the operation of a facility for the storage of water, including, without limitation, efficiency in diverting water to such a facility.

(c) An eligible recipient, to pay the following costs associated with connecting a domestic well or well with a temporary permit to a municipal water system, if the well was in existence on or before October 1, 1999, and the well is located in an area designated by the State Engineer pursuant to NRS 534.120 as an area where the ground water basin is being depleted:

1. Any local or regional fee for connection to the municipal water system.
2. The cost of any capital improvement that is required to comply with a decision or regulation of the State Engineer.

(d) An eligible recipient, to pay the following costs associated with abandoning an individual sewage disposal system and connecting the property formerly served by the abandoned individual sewage disposal system to a community sewage disposal system, if the Division of Environmental Protection requires the individual sewage disposal system to be abandoned and the property upon which the individual sewage disposal system was
located to be connected to a community sewage disposal system pursuant to the provisions of NRS 445A.300 to 445A.730, inclusive, or any regulations adopted pursuant thereto:

(1) Any local or regional fee for connection to the community sewage disposal system.

(2) The cost of any capital improvement that is required to comply with a statute of this state or a decision, directive, order or regulation of the Division of Environmental Protection.

2. Except as otherwise provided in NRS 349.983, the determination of who is to receive a grant is solely within the discretion of the Board.

3. As used in this section, “eligible recipient” means a political subdivision of this state, including, without limitation, a city, county, unincorporated town, water authority, conservation district, irrigation district, water district or water conservancy district.

Sec. 3. NRS 349.984 is hereby amended to read as follows:


2. Except as otherwise provided by subsections 3 and 4 of NRS 349.982, the money in the Fund must be used only to make grants in furtherance of the program.

3. All claims against the Fund must be paid as other claims against the State are paid.

Sec. 4. NRS 349.986 is hereby amended to read as follows:

The State Board of Finance shall issue general obligation bonds of the State of Nevada in the face amount of not more than $69,000,000 to support the purposes of the program. The net proceeds from the sale of the bonds must be deposited in the Fund. The bonds must be redeemed through the Consolidated Bond Interest and Redemption Fund.

Sec. 5. This act becomes effective on July 1, 2003.