

CHAPTER 538 - INTERSTATE WATERS, COMPACTS AND COMMISSIONS

BOULDER CANYON PROJECT

[NRS 538.010](#) Colorado River Compact: Ratification by Nevada; waiver of provisions of first paragraph of Article XI.
[NRS 538.020](#) Election of Nevada to receive commutation payments in lieu of other payments under Boulder Canyon Project Act.
[NRS 538.030](#) Disposition of receipts paid Nevada under Boulder Canyon Project Adjustment Act.

COLORADO RIVER COMMISSION OF NEVADA

[NRS 538.041](#) Definitions.
[NRS 538.051](#) Creation; number and appointment of members.
[NRS 538.061](#) Qualifications of commissioners.
[NRS 538.081](#) Removal of commissioner.
[NRS 538.101](#) Compensation of commissioners and employees; industrial insurance.
[NRS 538.111](#) Selection of Vice Chair; Executive Director to provide secretarial service.
[NRS 538.121](#) Principal place of business.
[NRS 538.131](#) Meetings; notice; quorum.
[NRS 538.133](#) Executive Director: Appointment; classification; restrictions on other employment.
[NRS 538.135](#) Executive Director: Duties.
[NRS 538.137](#) Deputy Executive Director: Appointment; duties; classification; restrictions on other employment.
[NRS 538.141](#) Assistants and employees: Employment by Executive Director; duties.
[NRS 538.151](#) Legal services to Commission: Duties of Attorney General and deputy attorney generals.
[NRS 538.161](#) General duties; contracts for supply of electric energy.
[NRS 538.166](#) General powers; prerequisites to actions regarding certain sources of supplemental water.
[NRS 538.171](#) Protection of water, water rights and rights to power; appropriation and use of water; certain uses of water from Muddy River or Virgin River.
[NRS 538.181](#) Contracts relating to power and water: Authority; applicant's bond; procedure; renewal; exemption from regulation by Public Utilities Commission of Nevada.
[NRS 538.186](#) Entry into and consultations relating to certain agreements regarding supplemental water.
[NRS 538.191](#) Colorado River Commission Fund; Colorado River Research and Development Account.
[NRS 538.196](#) Interest and income on money in special revenue fund, fund for construction of capital projects, trust fund, enterprise fund or agency fund.
[NRS 538.201](#) Regulations.
[NRS 538.206](#) Issuance of general obligations: Consultation with State Treasurer; representation of State before bond credit rating agencies; professional services.
[NRS 538.211](#) Faith and credit of State pledged.
[NRS 538.221](#) Hearings; witnesses; testimony.
[NRS 538.226](#) Water administrative and operating budget: Preparation and approval; contents; authorization; administration.
[NRS 538.231](#) Application and disbursement of revenues.
[NRS 538.241](#) Duties of State Controller and State Treasurer.
[NRS 538.251](#) Approval of contracts by Governor.

CALIFORNIA-NEVADA INTERSTATE COMPACT COMMISSION

[NRS 538.270](#) "Commission" defined. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.280](#) Creation. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.290](#) Composition; qualifications of commissioners. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.300](#) Terms of commissioners. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.320](#) Compensation of commissioners and employees of Commission. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.330](#) Payment of expenses. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.340](#) Expenses; payment of claims. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.350](#) Chair and Secretary of Commission. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.360](#) Employees. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.370](#) Duties of Attorney General. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.380](#) Duties of Commission relative to interstate waters. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.390](#) Approval of compact or agreement. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.400](#) Investigations of water resources; other powers. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]
[NRS 538.410](#) General powers and duties. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]

CALIFORNIA-NEVADA INTERSTATE COMPACT

[NRS 538.600](#)
[NRS 538.610](#)
[NRS 538.620](#)
[NRS 538.630](#)

California-Nevada Interstate Compact: Ratification and approval; text.
Governor to give notice of state's ratification.
Compensation of commissioners and State Engineer; claims for payment of expenses.
Duties of state officers; cooperation.

MISCELLANEOUS PROVISIONS

[NRS 538.650](#)

Special distribution from Contingency Account to protect water right or supply of water from challenge or encroachment originating outside Nevada.

BOULDER CANYON PROJECT

NRS 538.010 Colorado River Compact: Ratification by Nevada; waiver of provisions of first paragraph of Article XI.

1. The provisions of the first paragraph of Article XI of the Colorado River Compact, making the Compact effective when it shall have been approved by the legislature of each of the signatory states, are hereby waived and the Compact shall become binding and obligatory upon the State of Nevada and upon the other signatory states which have ratified or may ratify it after March 18, 1925, whenever at least six of the signatory states shall have consented thereto and the Congress of the United States shall have given its consent and approval.

2. This section shall be of no force or effect until this or a similar resolution shall have been passed or adopted by the legislatures of the States of California, Colorado, Nevada, New Mexico, Utah and Wyoming.

3. Certified copies of this section shall be prepared by the Secretary of State and forwarded by the Governor of the State of Nevada to the President of the United States, the Secretary of State of the United States, and the Governors of the States of Arizona, California, Colorado, New Mexico, Utah and Wyoming.

[1:96:1925; NCL § 1440] + [2:96:1925; NCL § 1441]

NRS 538.020 Election of Nevada to receive commutation payments in lieu of other payments under Boulder Canyon Project Act.

1. If the Congress shall enact legislation authorizing payments to be made to the State of Nevada, conforming to the requirements of subsection 2, upon the election of the State of Nevada to receive the same in commutation and in lieu of the payments now provided for this state in section 4(b) of the Boulder Canyon Project Act, the State of Nevada does hereby elect to receive such payments conforming to the requirements of subsection 2, in commutation and in lieu of the payments to it, so provided for in the Boulder Canyon Project Act.

2. The foregoing election is made upon the condition that the congressional legislation shall provide for payments to be made to the State of Nevada in the definite and fixed sum of \$300,000 for each year of operation (June 1 to May 31) of the Boulder Dam and power plant during the period of not less than 50 years of operation beginning with the year of operation ending May 31, 1938, and continuing annually thereafter until and including the year of operation ending May 31, 1987, and for such further time, if any, as may be provided for in such proposed congressional legislation, each such annual payment to be due and payable before June 30 immediately following the close of the year of operation for which it is made. The payment for the years of operation ending May 31, 1938, and May 31, 1939, shall be due and payable on June 30, 1939, and shall be made as soon thereafter as administration of such congressional legislation will permit; and each such annual payment shall be made annually thereafter at such times as shall be provided for in the proposed act of the Congress. All payments shall be subject to such adjustments as may be prescribed by such congressional legislation, in the event that any such payments cannot be made, either in whole or in part, by reason of failure of revenues received by the United States from the operation of Boulder Dam and incidental works and power plant, due to any act of God, or of the public enemy, or any major catastrophe or any other unforeseen and unavoidable cause.

3. The Attorney General of Nevada is hereby authorized and empowered upon the enactment of such congressional legislation to determine whether or not there is substantial conformity between the provisions thereof and the provisions of this section, and to certify such determination to the Governor, who shall proclaim the same. Upon the filing of a copy of such proclamation with the Secretary of the Interior, the election hereby made shall become final and complete.

4. Since an emergency exists therefor, this section shall become effective immediately upon the effective date of such congressional legislation; but if the Congress shall not enact such legislation, then the enactment of this section shall not be deemed to waive or diminish any right or rights of the State of Nevada under the Boulder Canyon Project Act, and contracts made thereunder.

5. This section is hereby declared to be the appropriate and the only appropriate legislative action of this state for the purpose of accomplishing the election by the state to receive and accept the commutation provided for in this section and required by the proposed congressional legislation to make such commutation effective.

[1:91:1939; 1931 NCL § 852] + [2:91:1939; 1931 NCL § 852.01] + [3:91:1939; 1931 NCL § 852.02] + [4:91:1939; 1931 NCL § 852.03] + [5:91:1939; 1931 NCL § 852.04]

NRS 538.030 Disposition of receipts paid Nevada under Boulder Canyon Project Adjustment Act. If and when the Boulder Canyon Project Adjustment Act becomes effective, and whenever and as often as any payments are made to the State Treasurer of the State of Nevada, the State Treasurer shall accept the same and such payments shall be placed by the State Treasurer in the General Fund of the State of Nevada.

[1:141:1941; A 1943, 7; 1943 NCL § 853]

COLORADO RIVER COMMISSION OF NEVADA

NRS 538.041 Definitions. As used in [NRS 538.041](#) to [538.251](#), inclusive, unless the context otherwise requires:

1. "Colorado River" means the Colorado River and all of the tributaries of the river.
2. "Commission" means the Colorado River Commission of Nevada.

3. "Commissioner" means a commissioner of the Colorado River Commission of Nevada.
4. "Executive Director" means the Executive Director of the Colorado River Commission of Nevada.
5. "Southern Nevada Water Authority" means the political subdivision of the State of Nevada created on July 25, 1991, by a cooperative agreement entered into on that date pursuant to the provisions of [NRS 277.080](#) to [277.180](#), inclusive.
6. "Supplemental water" means water from any source which, if acquired, would allow water to be used consumptively from the mainstream of the Colorado River in excess of Nevada's apportionment pursuant to the Boulder Canyon Project Act of 1928. The term does not include water from:
 - (a) Lake Tahoe;
 - (b) The Truckee, Carson or Walker River;
 - (c) Any groundwater within the State of Nevada, other than groundwater within Clark County; or
 - (d) Any surface water within the State of Nevada or that flows into the State of Nevada, other than the waters of the Colorado River,
 - ↳ unless the State Engineer authorizes the transfer of that water to the Colorado River pursuant to the provisions of this chapter or [chapter 532](#), [533](#) or [534](#) of NRS.
7. "Water purveyor" means a public entity created by or pursuant to the laws of this State which:
 - (a) Is engaged in:
 - (1) The acquisition of water on behalf of, or the delivery of water to, another water purveyor; or
 - (2) The retail delivery of water in this State; and
 - (b) Is not a member of another such public entity that is itself engaged in the activities described in paragraph (a).
(NRS A [1973, 1604](#); [1975, 43](#); [1977, 1172](#); [1981, 1435](#); [1983, 1588](#); [1995, 970, 2239](#); [2001, 2440](#))

NRS 538.051 Creation; number and appointment of members. The Colorado River Commission of Nevada, consisting of seven members, is hereby created. Four members must be appointed by the Governor. Three members must be appointed by the Board of Directors of the Southern Nevada Water Authority. The Governor shall designate one of his or her appointees to serve as Chair of the Commission.

[Part 1:71:1935; 1931 NCL § 1443.01] — (NRS A [1963, 982](#); [1967, 679](#); [1973, 1604](#); [1977, 1237](#); [1981, 1435](#); [1993, 1107](#); [2001, 2441](#))

NRS 538.061 Qualifications of commissioners.

1. The members appointed by the Governor must be residents of this state. The members appointed by the Southern Nevada Water Authority must be persons who serve on the Board of Directors of the Authority. When a person so appointed ceases to be a member of the Board of Directors, the remaining members of the Board of Directors shall fill the vacancy by appointment from among its membership.

2. All members must have a general knowledge of:

- (a) The development of the Colorado River and its tributaries within this state; and
- (b) The rights of this state concerning the resources and benefits of the Colorado River.

[Part 1:71:1935; 1931 NCL § 1443.01] + [2:71:1935; 1931 NCL § 1443.02] — (NRS A [1965, 403](#); [1967, 680](#); [1973, 1604](#); [1977, 1237](#); [1981, 1375, 1436](#); [1993, 1108](#))

NRS 538.081 Removal of commissioner. The appointing authority may at any time remove any commissioner for neglect of duty or malfeasance in office.

[Part 1:71:1935; 1931 NCL § 1443.01] + [3:71:1935; 1931 NCL § 1443.03] — (NRS A [1977, 1237](#); [1993, 1108](#))

NRS 538.101 Compensation of commissioners and employees; industrial insurance.

1. While engaged in official business of the Commission, each commissioner appointed by the Governor is entitled to receive a salary of not more than \$80 per day, as fixed by the Commission.

2. While engaged in the business of the Commission, each member and employee of the Commission is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

3. The Executive Director or an employee of the Commission designated by the Executive Director shall certify all bills and claims for compensation, per diem expense allowances and travel expenses of the commissioners, and shall submit them for payment in the same manner as all other state claims. The bills and claims must be paid from the Colorado River Commission Fund or any other fund administered by the Commission and designated to be used for those expenses by the Executive Director.

4. The Commission shall provide its members who are appointed by the Governor with industrial insurance through a private carrier authorized to provide industrial insurance in this state and shall budget and pay for the premiums for that insurance.

[4:71:1935; A [1951, 235](#)] + [Part 5:71:1935; A [1951, 235](#)] — (NRS A [1961, 415](#); [1963, 742](#); [1965, 403](#); [1967, 680](#); [1973, 1605](#); [1975, 299](#); [1981, 1436, 1538](#); [1983, 1518](#); [1985, 435](#); [1989, 1718](#); [1993, 1108](#); [1995, 2047](#); [1999, 1827](#); [2001, 2441](#))

NRS 538.111 Selection of Vice Chair; Executive Director to provide secretarial service. At the first meeting of the Commission in each calendar year, the Commission shall select the Vice Chair for the ensuing calendar year. The Executive Director shall provide necessary secretarial service for the Commission.

[Part 1:71:1935; 1931 NCL § 1443.01] + [Part 5:71:1935; A [1951, 235](#)] — (NRS A [1963, 982](#); [1965, 404](#); [1967, 680, 986, 1502](#); [1971, 1441](#); [1973, 1605](#); [1981, 1437](#); [1993, 1108](#); [2001, 2441](#))

NRS 538.121 Principal place of business. The principal place of business of the Commission must be in Clark County, as particularly determined by the Executive Director.

[Part 6:71:1935; A [1951, 235](#)] — (NRS A [1973, 1605](#); [1981, 1437](#); [2001, 2441](#))

NRS 538.131 Meetings; notice; quorum.

1. The commissioners shall meet at such times and in such places as are designated by the Chair, but a majority of the commissioners may call a meeting of the Commission at any time and place designated by them in a written notice thereof given all commissioners as provided in this subsection. Except in cases of an emergency, written notice of all meetings must be given to each commissioner by the Executive Director at least 3 working days before each meeting. Every notice must include information concerning the time, location and agenda for the meeting. A meeting of the Commission must be held at least quarterly.

2. A majority of the commissioners constitutes a quorum for the transaction of business.

3. As used in this section, “emergency” means any unforeseen circumstance which requires immediate action by the Commission and includes:

- (a) Any disaster caused by a fire, flood, earthquake or other natural cause; or
- (b) Any circumstance which impairs the health and safety of the public.

[Part 1:71:1935; 1931 NCL § 1443.01] + [Part 6:71:1935; A [1951, 235](#)] — (NRS A [1973, 1605](#); [1981, 1437](#); [1983, 1518](#); [2001, 2441](#))

NRS 538.133 Executive Director: Appointment; classification; restrictions on other employment.

1. The Commission shall appoint an Executive Director.
 2. The Executive Director:
 - (a) Is in the unclassified service of the State;
 - (b) Serves at the pleasure of the Commission; and
 - (c) Shall devote his or her entire time and attention to the business of the office and shall not pursue any other business or occupation or hold any other office of profit.
- (Added to NRS by [1981, 1435](#); A [1985, 435](#); [1997, 620](#); [2001, 2442](#))

NRS 538.135 Executive Director: Duties. The Executive Director:

1. Is responsible for administering and carrying out the policies of the Commission.
 2. Shall direct and supervise all the technical and administrative activities of the Commission.
 3. Shall report to the Commission all relevant and important matters concerning the administration of the office. The Executive Director is subject to the supervision of the Commission and is responsible, unless otherwise provided by law, for the conduct of the administrative function of the Commission’s office.
 4. Shall perform any lawful act which he or she considers necessary or desirable to carry out the purposes and provisions of [NRS 538.010](#) to [538.251](#), inclusive, and any other provisions of law relating to the powers and duties of the Commission.
- (Added to NRS by [1981, 1435](#); A [1997, 2983](#); [2001, 2442](#); [2007, 2006](#))

NRS 538.137 Deputy Executive Director: Appointment; duties; classification; restrictions on other employment.

1. The Executive Director shall appoint a Deputy Executive Director and shall designate the duties of the Deputy Executive Director.
 2. The Deputy Executive Director of the Commission:
 - (a) Is in the unclassified service of the State; and
 - (b) Shall devote his or her entire time and attention to the business of the office and shall not pursue any other business or occupation or hold any other office of profit.
- (Added to NRS by [1981, 1435](#); A [1985, 435](#); [1997, 620](#); [2001, 2442](#))

NRS 538.141 Assistants and employees: Employment by Executive Director; duties. The Executive Director shall, within the limits of available money, employ such assistants and employees as may be necessary to carry out the functions and duties of the Executive Director. The assistants and employees have such duties as may be prescribed by the Executive Director.

[Part 9:71:1935; A [1951, 235](#)] — (NRS A [1967, 986](#); [1973, 1605](#); [1975, 43](#); [1981, 1437](#); [1985, 436](#); [2001, 2442](#))

NRS 538.151 Legal services to Commission: Duties of Attorney General and deputy attorney generals. The Attorney General is the attorney for the Commission. The Attorney General shall designate one or more deputy attorney generals to conduct actions, proceedings and hearings for the Commission. A deputy so designated shall:

1. Advise the Commission on all matters relating to the Commission.
2. Maintain an office in Clark County, Nevada.

[Part 9:71:1935; A [1951, 235](#)] — (NRS A [1963, 742](#); [1973, 1606](#); [1979, 275](#); [1981, 1283, 1437](#); [1983, 748](#))

NRS 538.161 General duties; contracts for supply of electric energy. The Commission shall:

1. Collect and arrange all data and information connected with the Colorado River which may affect or be of interest to this state.
2. Represent and act for the State of Nevada in the negotiation and execution of contracts, leases or agreements for the use, exchange, purchase or transmission of power from any source, or for the planning, development or ownership of any facilities for the generation or transmission of electricity for the greatest possible benefit to this state, and present such contracts, leases or agreements to the Governor for his or her information. The Commission may contract for the supply of electric energy to any corporation or cooperative created pursuant to the laws of this state that is being operated principally for service to Nevada residents and may be serving incidental energy to residents of other states contiguous to its service area in Nevada. If such a corporation or cooperative so requests, the Commission may contract to supply electric energy directly for the corporation or cooperative.
3. Represent the State of Nevada in such interstate or other conferences or conventions as may be called for the consideration of the development of reclamation and power projects connected with the Colorado River, or in connection with Hoover Dam or other federally operated dams.
4. Negotiate with the representatives of other states and the United States in an endeavor to settle equitably and define the rights of the states and of the United States in the waters of the Colorado River.
5. Make and enter into agreements, compacts or treaties between the State of Nevada and the states of Arizona, California, Colorado, New Mexico, Utah, Washington, Oregon, Idaho and Wyoming, either jointly or severally. Agreements, compacts or treaties which define the rights of the states or of the United States in the waters of the Colorado River are not binding upon the State of Nevada until ratified and approved by the Legislature and Governor of the State of Nevada.
6. Represent and act for the State of Nevada in consultations with other states, the United States, foreign countries and persons, and negotiate and enter into agreements between the State of Nevada and those entities, jointly or severally, concerning the:
 - (a) Acquisition, development, storage, transport, transfer, exchange, use and treatment of water to supplement the supply of water in the Colorado River which is available for use in Nevada, consistent with the provisions of [NRS 538.186](#).
 - (b) Augmentation of the waters of the Colorado River, consistent with the provisions of [NRS 538.186](#).
 - (c) Quality of the waters of the Colorado River, in cooperation with, and subject to the authority of, any agency of this state which regulates environmental matters.
 - (d) Operation of federal dams and other facilities on the Colorado River.
 - (e) Species associated with the Colorado River which are or may become listed as endangered or threatened pursuant to federal law, in cooperation with, and subject to the authority of, any agency of this state which regulates environmental matters.

7. Within the limits of its authority, represent and act for the State of Nevada as a member of any interstate or international commission or other body as may be established relating to the Colorado River in transactions with Arizona, California, Colorado, New Mexico, Utah, Wyoming, the Federal Government or any foreign country.

8. Report to the Governor such measures and legislative action as it deems necessary to carry out the provisions of any law relating to the powers and duties of the Commission.

9. Cooperate with other states or federal agencies to establish, conduct and maintain projects related to water or power.

[Part 7:71:1935; A 1943, 209; [1947, 738](#); 1943 NCL § 1443.07] — (NRS A [1965, 404](#); [1973, 1606](#); [1975, 126](#); [1981, 911, 1437](#); [1987, 2312](#); [1989, 926](#); [1991, 840](#); [1993, 1108](#); [1995, 970](#); [2001, 2085](#))

NRS 538.166 General powers; prerequisites to actions regarding certain sources of supplemental water.

1. The Commission may:

(a) Acquire and perfect any interest in supplemental water.

(b) Develop, store, transport, transfer, exchange, use and treat supplemental water.

(c) Acquire an interest in, finance, construct, reconstruct, operate, maintain, repair and dispose of any facility for water or power, including, without limitation, a facility for the storage or conveyance of water and a facility for the generation or transmission of electricity.

(d) Obtain any license, permit, grant, loan or aid from any agency of the United States, the State of Nevada or any other public or private entity.

(e) In accordance with the provisions of the State Securities Law:

(1) Borrow money and otherwise become obligated in a total principal amount which is approved by the Legislature or the Interim Finance Committee.

(2) Issue:

(I) General obligation securities payable from taxes and additionally secured with net pledged revenues;

(II) Securities constituting special obligations payable from net pledged revenues; or

(III) Any combination of those securities.

↪ The Legislature finds and declares that the issuance of securities and other incurrence of indebtedness pursuant to this subsection are for the protection and preservation of the natural resources of this state and obtaining the benefits thereof, and constitute an exercise of the authority conferred by the second paragraph of [Section 3 of Article 9](#) of the Constitution of the State of Nevada. The powers conferred by this subsection are in addition to and supplemental to the powers conferred by any other law.

(f) Perform all other lawful acts it considers necessary or desirable to carry out the purposes and provisions of any law relating to the powers, functions and duties of the Commission.

2. The Commission shall comply with the provisions of this chapter and [chapters 532, 533](#) and [534](#) of NRS before taking any action pursuant to subsection 1 which relates in any way to supplemental water if the source of the supplemental water is located within the State of Nevada and is not the Colorado River.

(Added to NRS by [1995, 967](#); A [2001, 2086](#))

NRS 538.171 Protection of water, water rights and rights to power; appropriation and use of water; certain uses of water from Muddy River or Virgin River.

1. The Commission shall receive, protect and safeguard and hold in trust for the State of Nevada all water and water rights, and all other rights, interests or benefits in and to the waters described in [NRS 538.041](#) to [538.251](#), inclusive, and to the power generated thereon, held by or which may accrue to the State of Nevada under and by virtue of any Act of the Congress of the United States or any agreements, compacts or treaties to which the State of Nevada may become a party, or otherwise.

2. Except as otherwise provided in this subsection, applications for the original appropriation of such waters, or to change the place of diversion, manner of use or place of use of water covered by the original appropriation, must be made to the Commission in accordance with the regulations of the Commission. In considering such an application, the Commission shall use the criteria set forth in subsection 3 of [NRS 533.370](#). The Commission's action on the application constitutes the recommendation of the State of Nevada to the United States for the purposes of any federal action on the matter required by law. The provisions of this subsection do not apply to supplemental water.

3. The Commission shall furnish to the State Engineer a copy of all agreements entered into by the Commission concerning the original appropriation and use of such waters. It shall also furnish to the State Engineer any other information it possesses relating to the use of water from the Colorado River which the State Engineer deems necessary to allow the State Engineer to act on applications for permits for the subsequent appropriation of these waters after they fall within the State Engineer's jurisdiction.

4. Notwithstanding any provision of [chapter 533](#) of NRS, any original appropriation and use of the waters described in subsection 1 by the Commission or by any entity to whom or with whom the Commission has contracted the water is not subject to regulation by the State Engineer.

5. Any use of water from the Muddy River or the Virgin River for the creation of any developed shortage supply or intentionally created surplus does not require the submission of an application to the State Engineer to change the place of diversion, manner of use or place of use. As used in this subsection:

(a) "Developed shortage supply" has the meaning ascribed to it in [NRS 533.030](#).

(b) "Intentionally created surplus" has the meaning ascribed to it in [NRS 533.030](#).

[Part 7:71:1935; A 1943, 209; [1947, 738](#); 1943 NCL § 1443.07] — (NRS A [1959, 555](#); [1965, 405](#); [1973, 1607](#); [1981, 211, 1438](#); [1983, 1519](#); [1991, 297](#); [1995, 972](#); [2003, 2984](#); [2005, 2565](#); [2009, 649](#); [2011, 763](#))

NRS 538.181 Contracts relating to power and water: Authority; applicant's bond; procedure; renewal; exemption from regulation by Public Utilities Commission of Nevada.

1. The Commission shall hold and administer all rights and benefits pertaining to the distribution of the power and water mentioned in [NRS 538.041](#) to [538.251](#), inclusive, for the State of Nevada and, except as otherwise provided in [NRS 538.186](#), may enter into contracts relating to that power and water, including the transmission and other distribution services, on such terms as the Commission determines.

2. Every applicant, except a federal or state agency or political subdivision, for power or water to be used within the State of Nevada must, before the application is approved, provide an indemnifying bond by a corporation qualified pursuant to the laws of this State, or other collateral, approved by the State Board of Examiners, payable to the State of Nevada in such sum and in such manner as the Commission may require, conditioned for the full and faithful performance of the lease, sublease, contract or other agreement.

3. The power and water must not be sold for less than the actual cost to the State of Nevada.

4. Except as otherwise provided in subsection 5, before any such sale or lease is made, a notice of it must be advertised in two papers of general circulation published in the State of Nevada at least once a week for 2 weeks. The Commission shall require any person desiring to make objection thereto to file the objection with the Commission within 10 days after the date of the last publication of the notice. If any objection is filed, the Commission shall set a time and place for a hearing of the objection not more than 30 days after the date of the last publication of the notice.

5. The provisions of subsection 4 do not apply to:

(a) Any contract by the Commission to sell supplemental power to a holder of a long-term firm contract with the State for power if the supplemental power is procured by the Commission from a prearranged source and is secured by the holder for his or her own use; or

(b) Any agreement by the Commission to sell short-term or interruptible power on short notice for immediate acceptance to a holder of a long-term firm contract with the State for power who can take delivery of the short-term or interruptible power when it is available.

6. Except as otherwise provided in subsection 2 of [NRS 538.251](#), any such lease, sublease, contract or sale of the water or power is not binding upon the State of Nevada until ratified and approved by the Governor and, where required by federal law, until approved by the United States.

7. The Commission shall, upon the expiration of a contract for the sale of power which is in effect on July 1, 1993, offer to the purchaser the right to renew the contract. If the Commission is unable to supply the amount of power set forth in the contract because of a shortage of power available for sale, it shall reduce, on a pro rata basis, the amount of power it is required to sell pursuant to the renewed contract.

8. Except as otherwise provided in [NRS 704.787](#), notwithstanding any provision of [chapter 704](#) of NRS, any purchase of:

(a) Power or water for distribution or exchange, and any subsequent distribution or exchange of power or water by the Commission; or

(b) Water for distribution or exchange, and any subsequent distribution or exchange of water by any entity to which or with which the Commission has contracted the water,

↪ is not subject to regulation by the Public Utilities Commission of Nevada.

[Part 7:71:1935; A 1943, 209; [1947, 738](#); 1943 NCL § 1443.07] — (NRS A [1963, 743](#); [1964, 4](#); [1965, 405](#); [1973, 1607](#); [1975, 42, 43](#); [1981, 913](#), [1439](#); [1993, 1110](#); [1995, 972](#); [1997, 2011](#); [2001, 354](#), [1267](#), [2087](#))

NRS 538.186 Entry into and consultations relating to certain agreements regarding supplemental water.

1. Notwithstanding the provisions of any other law, the Commission or any other public entity created by or pursuant to the laws of this state may enter into:

(a) An agreement to acquire any interest in supplemental water or to forbear the use of that supplemental water; or

(b) An agreement ancillary to an agreement described in paragraph (a),

↪ only as provided in this section.

2. The Commission shall, as early as practicable and on a continuing basis, inform any water purveyor which has or can develop the ability to divert supplemental water from the Colorado River of its communications with any person or entity, which the Commission believes is credible and responsible, concerning a specific opportunity to negotiate and enter into an agreement described in subsection 1.

3. Any water purveyor which has or can develop the ability to divert supplemental water from the Colorado River shall, as early as practicable and on a continuing basis, inform the Commission of its communications with any person or entity, which the water purveyor believes is credible and responsible, concerning a specific opportunity to negotiate and enter into an agreement described in subsection 1.

4. If a water purveyor which has or can develop the ability to divert supplemental water from the Colorado River notifies the Commission in writing that it wishes to explore a specific opportunity to negotiate and enter into an agreement described in subsection 1, all investigations, consultations and negotiations relating to such an agreement must be conducted by the Commission and the water purveyor, as nearly as may be, as a joint undertaking. The Commission and the water purveyor may enter into an agreement governing the joint undertaking.

5. Notwithstanding any other law:

(a) A public entity described in subsection 1 shall not enter into any agreement described in that subsection unless the Commission is a party to that agreement.

(b) The Commission shall not enter into any agreement described in subsection 1, if a water purveyor will be expected to provide money necessary for the Commission to perform any financial obligation or other obligation pursuant to the provisions of the agreement, unless that water purveyor is a party to the agreement.

(Added to NRS by [1995, 967](#))

NRS 538.191 Colorado River Commission Fund; Colorado River Research and Development Account.

1. Except as otherwise provided in the covenants of bonds issued by the State of Nevada and as provided in subsection 2, all revenues derived from the sale, lease or use of water or power which become due to the State of Nevada pursuant to any lease, contract or sale, or otherwise, of water or power obtained from the Colorado River power and water system, and from other sources, must be deposited with the State Treasurer for credit to the Colorado River Commission Fund which is hereby created as a special revenue fund. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund.

2. There is hereby created the Colorado River Research and Development Account in the Colorado River Commission Fund for the purpose of defraying the costs of engineering studies, analysis, negotiation and such other efforts as are, in the opinion of the Commission, necessary and proper for the protection of the interests of this state in the development and acquisition of sources of water and power along and related to the Colorado River and elsewhere. The charge for water and power included in any lease or contract executed after April 18, 1963, between the Commission and water or power users must be sufficient in amount to maintain the Colorado River Research and Development Account in addition to defraying the cost to the Commission of water and power delivered. When collected, these additional revenues must be deposited with the State Treasurer for credit to the Account. The interest and income earned on the money in the Account, after deducting any applicable charges, must be credited to the Account.

3. Money in the Fund and Account provided for in this section must be paid out on claims as other claims against the State are paid, after the claims have been approved by the Commission.

[Part 7:71:1935; A 1943, 209; [1947, 738](#); 1943 NCL § 1443.07] — (NRS A [1963, 743](#); [1973, 1608](#); [1981, 264](#), [1440](#); [1983, 1519, 1588](#); [1991, 1786](#))

NRS 538.196 Interest and income on money in special revenue fund, fund for construction of capital projects, trust fund, enterprise fund or agency fund. The interest and income earned on any money in a special revenue fund, fund for the construction of capital projects, trust fund, enterprise fund or agency fund for which the Commission is responsible, after deducting any applicable charges, must be credited to the respective fund.

(Added to NRS by [1983, 1588](#))

NRS 538.201 Regulations. The Commission may adopt such regulations as are necessary to carry out the purposes of [NRS 538.041](#) to [538.251](#), inclusive.

[Part 7:71:1935; A 1943, 209; [1947, 738](#); 1943 NCL § 1443.07] — (NRS A [1963, 744](#); [1973, 1608](#); [1975, 44](#); [1981, 1440](#); [1989, 928](#))

NRS 538.206 Issuance of general obligations: Consultation with State Treasurer; representation of State before bond credit rating agencies; professional services. Before issuing any general obligation which the Commission is authorized by law to issue on behalf and in the name of the State of Nevada, the Commission shall consult the State Treasurer. The Chair of the Commission and the State Treasurer, jointly:

1. Shall represent the State of Nevada in matters concerning any nationally recognized bond credit rating agency for the purposes of the issuance of any such obligation.

2. May employ any necessary legal, financial or other professional services in connection with the authorization, sale or issuance of any such obligation.

(Added to NRS by [1995, 2239](#); A [1999, 73](#))

NRS 538.211 Faith and credit of State pledged. If the State of Nevada must purchase or otherwise acquire property, or compensate for damage to property, for use in the transmission and distribution of water or electrical power, the faith and credit of the State of Nevada hereby is irrevocably pledged for the performance and observance of all covenants, conditions, limitations, promises and undertakings made or specified to be kept, observed or fulfilled on the part of the State, in any contract entered into before, on or after July 1, 1981, pursuant to [NRS 538.161](#) and [538.186](#).

[7A:71:1935; added [1947, 444](#); A [1951, 235](#)] — (NRS A [1957, 66](#); [1963, 744](#); [1964, 5](#); [1965, 406](#); [1973, 1608](#); [1975, 44](#); [1981, 914, 1440](#); [1995, 974](#); [2001, 2442](#))

NRS 538.221 Hearings; witnesses; testimony. The Commission may:

1. Hold hearings.

2. Receive and hear objections filed to the granting of contracts after advertisement.

3. Require the attendance of witnesses.

4. Take testimony whenever it deems it necessary to carry out the provisions of [NRS 538.041](#) to [538.251](#), inclusive.

[10:71:1935; 1931 NCL § 1443.10] — (NRS A [1973, 1609](#); [1975, 45](#); [1981, 88, 1441](#))

NRS 538.226 Water administrative and operating budget: Preparation and approval; contents; authorization; administration.

1. The Commission shall prepare and approve a water administrative and operating budget. The budget must include all costs and expenses incurred by the Commission in performing its functions and duties relating to water, except:

(a) The costs and expenses related to any financial obligations or other obligations assumed by the Commission pursuant to any agreement described in paragraph (a) or (b) of subsection 6 of [NRS 538.161](#).

(b) The costs for any services of an independent contractor related to a specific opportunity to negotiate and enter into an agreement to acquire any interest in supplemental water from one or more particular sources, to the extent all those costs for those opportunities during the period covered by the budget exceed \$200,000. This amount may be decreased or increased as indicated by engineering cost indexes or other cost indexes which are applicable to the services used by the Commission.

(c) The costs for any services of an independent contractor or costs contributed by the Commission for any services of a governmental agency or its independent contractor, other than the Commission, for studies or the implementation of projects relating to water quality, evaluation or enhancement of ecological habitat or weather modification, to the extent that all those costs for those studies or projects during the period covered by the budget exceed \$250,000. This amount may be decreased or increased as indicated by engineering cost indexes or other cost indexes which are applicable to the services used by the Commission.

(d) Costs which are capitalized in accordance with generally accepted accounting principles, except costs for office space and equipment required for the principal place of business of the Commission.

(e) Costs for the operation of any facility which belongs to the Commission, except the principal place of business of the Commission.

2. The water administrative and operating budget, and any changes to the budget, must be submitted for authorization in the manner prescribed by the State Budget Act. If the budget is authorized, the budget is payable by, and becomes a liability of, each water purveyor in the amount, if any, to which the budget is allocated to that water purveyor pursuant to subsection 3.

3. The Commission shall allocate the entire amount of each water administrative and operating budget, minus the portion of that amount which represents the net revenues which the Commission estimates it will receive pursuant to its contracts from the sale of water during the period covered by the budget, among those water purveyors which the Commission determines will directly and substantially benefit from the Commission's activities which are related to water during that period. In determining the allocation, the Commission shall consider appropriate factors relevant to those benefits. If a water purveyor ceases to exist during the period covered by the budget, the Commission shall amend and reallocate the budget as necessary.

4. In each fiscal year covered by the water administrative and operating budget, each water purveyor to which the Commission has allocated an amount of the budget pursuant to subsection 3 shall pay to the Commission quarterly a portion of the water purveyor's total liability for that fiscal year as billed by the Commission. At least 60 days before the first day of the quarter for which the bill is prepared, the Commission shall submit to each water purveyor a bill for its portion of the total amount of the budget due for that quarter. Each water purveyor shall pay its bill within 30 days after the bill is submitted by the Commission.

5. Except as otherwise provided in this subsection, the Commission shall apply, within 120 days after the end of the fiscal year, any unexpended balance in the budget at the close of the fiscal year as a credit to that amount allocated among the water purveyors pursuant to subsection 3 for the next fiscal year. The Commission shall apply that credit to the next quarterly payments remaining due from each water purveyor, unless the Commission determines it is appropriate to refund the unexpended balance.

6. If in any fiscal year the money payable by a water purveyor pursuant to subsection 4 is not received by the Commission when due, that money also becomes the several liability of all public entities who:

- (a) Purvey water; and
 - (b) On the date the budget was approved by the Commission, were members of the water purveyor liable for that money,
- ↪ in proportion to their liability for the budget of the water purveyor effective on the date the budget was approved by the Commission.

(Added to NRS by [1995, 968](#))

NRS 538.231 Application and disbursement of revenues. Revenues received from the sale of power or water or otherwise must be applied and disbursed by the Commission in the following order:

1. To the payment to the Federal Government of the cost of electrical energy and the generation and delivery thereof in accordance with bills rendered by the United States.
2. To the payment to other entities of the cost of water and the cost of electrical energy and the generation thereof or the cost of water or the cost of electrical energy and the generation thereof in accordance with bills rendered by those entities.
3. To the payment of compensation and expenses of the Commission and all other obligations incurred through performance by the Commission of the duties designated in [NRS 538.041](#) to [538.251](#), inclusive.
4. To the repayment to the State of Nevada of any money advanced or appropriated to the Commission if the advancement or appropriation requires repayment to the State, the repayment to be placed in the State General Fund.

[11:71:1935; A 1943, 209; [1947, 738](#); 1943 NCL § 1443.11] — (NRS A [1963, 744](#); [1965, 407](#); [1973, 1610](#); [1975, 45](#); [1981, 1442](#); [1983, 1520](#); [1995, 975](#))

NRS 538.241 Duties of State Controller and State Treasurer. The State Controller shall draw his or her warrants on the funds administered by the Commission for payment of all claims against those funds and the State Treasurer shall pay them.

[13:71:1935; A [1947, 738](#); 1943 NCL § 1443.13] — (NRS A [1963, 745](#); [1973, 1610](#); [1981, 1442](#); [1983, 1520](#))

NRS 538.251 Approval of contracts by Governor.

1. Except as otherwise provided in subsection 2, all contracts entered into by the Commission pertaining to the sale or purchase of water or electrical power, belonging or allotted to or contracted by the State of Nevada are not binding upon the State of Nevada until approved by the Governor.

2. Any contract or agreement by the Commission for the transmission of electrical power or to sell:

(a) Supplemental power to a holder of a long-term firm contract with the State for power if the supplemental power is procured by the Commission from a prearranged source and is secured by the holder for his or her own use; or

(b) Short-term or interruptible power on short notice for immediate acceptance to a holder of a long-term firm contract with the State for power who can take delivery of the short-term or interruptible power when it is available,

↪ does not require the approval of the Governor to be binding upon the State.

[Part 1:71:1935; 1931 NCL § 1443.01] + [14:71:1935; 1931 NCL § 1443.14] — (NRS A [1963, 745](#); [1965, 407](#); [1973, 1610](#); [1981, 915](#); [1442](#); [1987, 2313](#); [1989, 926](#); [1995, 975](#))

CALIFORNIA-NEVADA INTERSTATE COMPACT COMMISSION

NRS 538.270 “Commission” defined. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).] As used in [NRS 538.270](#) to [538.410](#), inclusive, “Commission” means the California-Nevada Interstate Compact Commission of the State of Nevada.

[2:153:1955] — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.280 Creation. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]

There is hereby created the California-Nevada Interstate Compact Commission of the State of Nevada.

[1:153:1955] — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.290 Composition; qualifications of commissioners. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]

1. The Commission shall consist of eight commissioners: The State Engineer, who shall be a nonvoting commissioner, and seven commissioners to be appointed by the Governor.

2. In making such appointments the Governor shall appoint two commissioners from the Walker River Irrigation District; one commissioner from the Carson River water users above Lahontan Reservoir; one commissioner from the Truckee-Carson Irrigation District; one commissioner from the Washoe County Water Conservation District; one commissioner from the Sierra Pacific Power Company; and one commissioner from the Lake Tahoe area in Nevada.

3. Each commissioner so appointed must be an elector and a water user or an employee of a water user within the State of Nevada.

[Part 3:153:1955] — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.300 Terms of commissioners. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]

1. The tenure of office of the commissioners appointed by the Governor shall be at the pleasure of the Governor, but the terms of the commissioners appointed by the Governor shall not extend beyond 4 years from the date of their several appointments, unless reappointed by the Governor at the end of the term.

2. The duties of the appointed commissioners shall terminate when an agreement or compact agreed upon by the Commission has been submitted to the Legislature of the State of Nevada and has been ratified by it, and also submitted to the Congress of the United States and has been ratified by it.

[Part 3:153:1955] — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.320 Compensation of commissioners and employees of Commission. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]

1. Commissioners who are not in the regular employ of the State are entitled to receive a salary of not more than \$80 per day, as fixed by the Commission, for time actually spent on the work of the Commission, except when a commissioner is employed by the Commission to render special, technical or professional services, in which event the commissioner is entitled to receive fees and expenses commensurate with the service rendered.

2. While engaged in the business of the Commission, each member of the Commission who is not employed by the Commission to render special, technical or professional services and each employee of the Commission is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

[4:153:1955] — (NRS A [1975, 299](#); [1981, 1987](#); [1985, 436](#); [1989, 1718](#)) — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.330 Payment of expenses. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).] The expenses of carrying out the provisions of [NRS 538.270](#) to [538.410](#), inclusive, must be paid out of an appropriate account of the Division of Water Resources of the Department of Conservation and Natural Resources in the State General Fund.

[Part 12:153:1955] — (NRS A [1985, 721](#)) — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.340 Expenses; payment of claims. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]

1. The Commission may incur necessary expenses to effectuate its purpose.
2. Claims for payment of all expenses incurred by the Commission, including the expenses of the commissioners, shall be made by the Office of the State Engineer and the State Board of Examiners and paid as other claims against the State are paid.

[Part 6:153:1955] + [Part 12:153:1955] — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.350 Chair and Secretary of Commission. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]

1. The Chair of the Commission shall be selected by the Commission.
2. The Commission shall appoint a Secretary, who may be one of the commissioners.

[5:153:1955] + [Part 6:153:1955] — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.360 Employees. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).] The Commission may employ such agents, attorneys, engineers and other employees as it deems necessary to carry out the functions of [NRS 538.270](#) to [538.410](#), inclusive.

[Part 6:153:1955] — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.370 Duties of Attorney General. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).] At the request of the Commission, the Attorney General, or whomever the Attorney General may appoint, shall aid and assist the commissioners appointed for the State of Nevada whenever necessary in order to facilitate the work in carrying out the intent and purpose of [NRS 538.270](#) to [538.410](#), inclusive.

[11:153:1955] — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.380 Duties of Commission relative to interstate waters. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).]

1. It is the function of the Commission to cooperate with a similar commission representing the State of California in formulating and submitting to the legislatures of both states and the Congress of the United States for their approval an interstate compact relative to the distribution and use of the waters of Lake Tahoe and the Truckee, Carson and Walker Rivers and their tributaries, and other related matters.

2. The Commission shall also cooperate with any person appointed by the President of the United States to participate in the negotiations as a representative of the United States and to make a report thereon to the Congress.

[7:153:1955] — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.390 Approval of compact or agreement. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).] No compact or agreement shall be binding on the State of Nevada until it has been approved by the Legislature of this state and the Congress of the United States.

[8:153:1955] — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.400 Investigations of water resources; other powers. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).] The commissioners of the State of Nevada shall have full authority:

1. To make such investigation of the water resources within the basins of the Truckee, Carson and Walker Rivers and Lake Tahoe as may be necessary in order to determine the facts as to physical conditions obtaining upon such water resources.

2. To make reports to the Legislature of the State of Nevada.

3. To perform such other duties as may be necessary to determine sufficiently such facts, and to secure the necessary information in order that they may properly perform their duties as commissioners of the State of Nevada upon the joint commission.

4. To accept grants of money from and to make contracts with any person or agency, public or private, including the United States Government, for the purpose of making planning surveys in the area as determined by the Commission, and to cooperate with the appropriate federal, state and county agencies in having such planning surveys made.

[9:153:1955] — (NRS A [1957, 528](#)) — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.410 General powers and duties. [Effective until the effective date of the California-Nevada Interstate Compact ([NRS 538.600](#)).] The Commission representing the State of Nevada on the joint commission shall have full authority:

1. To carry on negotiations for such compact or agreement.

2. To attend meetings of the joint commission whenever convened.

3. Generally to perform such duties as shall be required of the commissioners thereof in carrying out the purpose and intent of [NRS 538.270](#) to [538.410](#), inclusive.

[10:153:1955] — (R effective on effective date of the California-Nevada Interstate Compact (NRS 538.600))

NRS 538.600 California-Nevada Interstate Compact: Ratification and approval; text. The Legislature of the State of Nevada hereby ratifies and approves the California-Nevada Interstate Compact as set forth in this section. The provisions of the Compact shall become the law of this state upon the compact becoming operative as provided in Article XXII of the Compact. The provisions of the California-Nevada Interstate Compact are as follows:

ARTICLE I. Purposes

Consistent with the provisions of the authorization Acts of the State of California and the State of Nevada and the United States, the major purposes of this compact are to provide for the equitable apportionment of water between the two states; to promote interstate comity and to further intergovernmental cooperation; to protect and enhance existing economies; to remove causes of present and future controversies; to permit the orderly integrated and comprehensive development, use, conservation and control of the water within the Lake Tahoe, Truckee River, Carson River, and Walker River Basins.

ARTICLE II. Definitions

- A. The terms "California" and "Nevada" shall mean respectively the State of California and the State of Nevada.
- B. The term "commission" shall mean the administrative agency created by Article IV of this compact.
- C. The term "Lake Tahoe Basin" shall mean the drainage area naturally tributary to Lake Tahoe including said Lake or to the Truckee River upstream from the Truckee River intersection with the western boundary of Section 12, Township 15 North, Range 16 East, Mount Diablo Base and Meridian.
- D. The term "Truckee River Basin" shall mean the area which naturally drains into the Truckee River and its tributaries and into Pyramid Lake including such lake, but excluding the Lake Tahoe Basin.
- E. The term "Carson River Basin" shall mean the area which naturally drains into the Carson River and its tributaries and to the Carson River Sink, but excluding the Humboldt River drainage area.
- F. The term "Walker River Basin" shall mean the area which naturally drains into the Walker River and/or Walker Lake upstream from the intersection of the river and/or lake in Mineral County, Nevada, with the northern township line of Tier 10 North, Mount Diablo Base Line.
- G. Except as otherwise expressly provided in this compact the terms "existing," "present" and "presently" shall mean as of 1964.
- H. The term "effective date of the compact" shall be the date on which the legislation provided for in Article XXII (1) and (2) shall become law.
- I. "Measured" means the determination of the relevant amount of water in cubic feet per second or gallons per minute or acre-feet by the use of a current meter, rated weir, rated flume, pipeline water meter, computation from contour maps, or any other method which results in a reasonably accurate determination based on sound engineering practices.

ARTICLE III. Sovereign Relationship

- A. Each state shall have jurisdiction to determine, pursuant to its own laws, the rights to the use of waters allocated to it herein; provided, however, that the right to use such water shall be limited to such quantities of water as shall reasonably be required for the beneficial use to be served and shall not extend to the waste or unreasonable use of water. Such provision shall not be construed to affect the water rights laws of either state with respect to any waters, other than the waters allocated to the state hereunder. Each state will recognize and accept applications for such permits, licenses or other permissions as are required by the law of the state where the application is filed to enable the other state to utilize water allocated to such other state. This provision shall neither require nor prohibit the United States of America from complying with provisions of state law relating to the appropriation of water allocated to the states by this compact.
- B. Each state shall cooperate with the other in securing to each the right to fully utilize the rights and privileges granted and waters allocated to each hereunder.
- C. The use of water by the United States of America or any of its agencies, instrumentalities or wards shall be charged as a use by the state in which the use is made.

ARTICLE IV. The California-Nevada Compact Commission

- A. Creation and Composition
 - 1. There is hereby created an interstate compact commission to be designated as the California-Nevada Compact Commission herein referred to as the commission.
 - 2. The commission shall consist of five members from each state and one member as representative of the United States chosen by the President of the United States who is hereby requested to appoint such a representative. The United States member shall be ex officio chairman of the commission without vote and shall not be a domiciliary of or reside in either state.
 - (a) The California members of the commission shall consist of the Director of the Department of Water Resources of the State of California, and four (4) members appointed by the Governor of California, all of whom shall be residents of the State of California. One of the four members so appointed shall be a resident of the Lake Tahoe Basin, one shall be a resident of the Truckee River Basin, one shall be a resident of the Walker River Basin and one shall be a resident of the Carson River Basin.
 - (b) The Nevada members of the commission shall consist of the State Engineer of the State of Nevada (who additionally shall represent all Nevada areas not otherwise represented as herein provided), and four (4) members appointed by the Governor of Nevada, each of whom shall be a resident of the State of Nevada and represent a specific area therein as below defined, provided that the Governor shall not appoint any person a member of such commission if he determines that such person has a conflicting interest in California. One of the four members so appointed shall be a resident real property owner within and represent the Reno-Sparks metropolitan area (including adjacent agricultural area) and be fully qualified by knowledge and experience in connection with the water requirements and supply for such area; the other three members so appointed shall be representative of the common interest and goals of all water users of the area and each shall have broad practical experience in water management, and one shall be a resident real property owner within and represent the Walker River Basin in Nevada, another shall be a resident real property owner within and represent the Carson River Basin in Nevada upstream from Lahontan Reservoir, and the third shall be a resident real property owner within and represent the area within the Truckee-Carson Irrigation District in Nevada.
 - 3. The term of office of the four members of the commission appointed by each Governor shall be four (4) years. The Governor of each state, upon appointment of the first members of the commission, shall designate one member of the commission to serve for a

period of one year, one member to serve for a period of two years, one member to serve for a period of three years, and one member to serve for a period of four years. Thereafter, members shall be appointed for the regular term of four years as the terms expire.

4. Interim vacancy, for whatever cause, in the office of any member of the commission shall be filled for the unexpired term in the same manner as hereinabove provided for regular appointment.

5. The appointed members of the California-Nevada Compact Commission shall be designated within ninety (90) days after the effective date of the compact. Within thirty (30) days after such members have been appointed and the federal representative designated, the commission shall meet and organize.

B. Finances

1. The salaries and the personal expenses of each member of the commission shall be paid by the government he represents. All other expenses which are incurred by the commission incident to the administration of this compact and which are not paid by the United States or by other funds received by the commission shall be borne equally by the two states.

2. The commission shall adopt a budget covering the commission's estimate of its expenses for each of the following two fiscal years; provided, that whenever the legislatures of both states appropriate funds on an annual basis the commission shall submit its budget on such annual basis. The commission shall submit said budget to the Governors of the two states for joint review and approval and to the President of the United States at the earliest date prescribed by the two states for submission of proposed budgets. Each state shall appropriate one-half of the funds necessary to meet said budget requirements, which appropriations shall be made available to the commission as of July 1 of each fiscal year for such fiscal year's operations. All unexpended and unencumbered funds from such appropriations shall be returned by the commission in equal proportions to the states to the credit of the state fund from which said appropriation was made. All receipts and disbursements of funds handled by the commission shall be subject to a joint audit by the states and the report of said audit shall be included, and become a part of the annual report of the commission.

3. The commission shall not pledge the credit of any government except by and with the authority of the legislative body thereof given pursuant to and in keeping with the Constitution of said government. The commission shall not incur any obligations prior to the availability of funds adequate to meet the same.

4. The commission shall make and transmit to the Legislature and Governor of each state and to the President of the United States an annual report covering the finances and activities of the commission and embodying such plans, recommendations and findings as may have been adopted by the commission.

C. Meetings and Voting

1. A quorum for any meeting of the commission shall consist of six members of the commission, provided that at least three members are present from each state.

2. All meetings of the commission for the consideration of and action on any matters coming before the commission, except matters involving the management of internal affairs of the commission and its staff, or involving litigation in which the commission is a party, shall be open to the public. Matters coming within the exception of this paragraph may be considered and acted upon by the commission in executive session under such rules and regulations as the commission may see fit to establish.

3. Each state shall have but one vote and every decision, authorization, determination, order or other action shall require the concurring votes of both states, provided that no state shall vote on any action without the concurring vote of not less than three members of the commission from such state.

D. General Powers

The commission shall have power to:

1. Adopt, amend and revoke bylaws, rules and regulations and prescribe procedures for administration of the provisions of this compact.

2. Establish such offices as it deems necessary, and acquire and hold property either by purchase, lease or otherwise as may be necessary for the performance of its functions under this compact.

3. Employ engineering, legal, clerical and other aid as in its judgment may be necessary for the performance of its functions. Such employees shall be paid by and be responsible to the commission and shall not be considered to be employees of either state. The commission may establish workmen's compensation benefits directly or by insurance. The commission is authorized to contribute to the cost of health and accident insurance for its employees to the same extent as either state contributes to the cost of such insurance for its employees.

4. Perform all functions required of it by this compact and to do all things necessary, proper or convenient in the performance of its duties hereunder, either independently or in cooperation with any state, federal or local agency or other entity or person.

5. Make such findings as are pertinent to this compact including but not limited to findings as to the quantities of water being used in either state, the amount of water available for use pursuant to the allocations made herein, and each state's share of the waters allocated.

6. Install and maintain measuring devices of a type or types approved by the commission in any stream, lake, reservoir, ditch, pumping station or other diversion works on the Truckee, Carson or Walker Rivers or on Lake Tahoe, or on waters tributary thereto, or to require water users at their expense to install and maintain measuring devices, as the commission may determine necessary or proper to carry out the purposes or provisions of this compact. The execution and enforcement of such requirements concerning such measuring devices as shall be enacted by the commission shall be accomplished by the commission directly, or by such federal, state, local or other official or person as the commission may delegate, or by any other agency responsible to or representing a federal court.

7. Accept gifts of money or real property or anything of value.

8. Appoint a hearing examiner or examiners who may be members of the commission to conduct hearings and to make recommendations to the commission on any matter requiring a hearing and decision by the commission.

9. Obtain a right of access to all properties in the Lake Tahoe, Truckee River, Carson River and Walker River Basins whenever necessary for the purpose of administration of this compact. The commission may obtain a court order to enforce this right of access.

10. Take such action as it deems appropriate for the enforcement of the provisions of this compact.

11. Administer oaths or affirmations and to compel the attendance of witnesses and the production of documents by the use of subpoena which may be served anywhere within the territorial limits of the United States; said power to administer oaths and affirmations and to compel the attendance of witnesses and the production of documents by the use of subpoena may also be exercised by any hearing examiner appointed as provided in subsection 8 of this Section D.

12. Contract with the appropriate agency of either state, including the retirement system, to provide retirement and other benefits to commission employees.

E. Whenever the public health or welfare is endangered, the commission may declare the existence of an emergency and, in such event, shall designate the location, nature, cause, area, extent and duration thereof. In the event of an emergency so declared, the commission may, with respect to all matters covered by this compact, do all things necessary, proper or convenient independently or in cooperation with any other agency, person, or entity, to initiate, carry on, and complete any and all remedial measures required to meet said emergency including the adoption and enforcement of any regulations and restrictions necessary for such purpose.

ARTICLE V. Lake Tahoe Basin

A. The right of the United States or its agent to store waters in Lake Tahoe between elevations 6,223.0 and 6,229.1 feet (Lake Tahoe datum) and to release said stored waters for beneficial uses downstream from Lake Tahoe Basin is hereby ratified and confirmed subject to the rights granted in Section D of this article.

B. It is agreed by the states subject to the consent of the head of the federal agency having jurisdiction thereof, that an overflow weir of approximately 140 feet in length with a crest elevation of 6,223.0 feet, Lake Tahoe datum, upstream from the Lake Tahoe outlet gates shall be constructed and installed with necessary channel improvements within four years from the effective date of this compact provided that should the commission decide that it is in the best interests of each of the two states, it may extend such period for such additional period or periods as it may deem reasonable. The cost of this installation shall be borne by the States of California and Nevada in equal amounts. As used herein, Lake Tahoe datum shall be measured with respect to the top surface of the hexagonal brass bolt seven-eighths inch in diameter, projecting one inch from the vertical face of the southerly concrete abutment wall of the present existing Lake Tahoe Dam, at approximately 3.2 feet below the top of the wall and approximately in line with the upstream ends of the cutwaters of the concrete piers between the sluiceways of the dam. This surface of the brass bolt is presumed for the purposes of the compact to have an elevation 6,230.0 feet Lake Tahoe datum, notwithstanding that it was determined by the U.S. Geological Survey on November 15, 1960, to be at an elevation of 6,228.86 feet above sea level datum of 1929.

C. The storage rights in Lake Tahoe shall be operated alone or in conjunction with other reservoirs so as to minimize the period and duration of high and low water elevations in Lake Tahoe, provided that exchanges of water or releases between Lake Tahoe and other reservoirs shall not measurably impair the intended purpose of such reservoirs.

D. Upon construction of the overflow weir provided for in Section B of this article, the total annual gross diversions for use within the Lake Tahoe Basin from all natural sources including ground water and under all water rights in said basin shall not exceed 34,000 acre-feet annually, of which 23,000 acre-feet annually is allocated to the State of California for use within said basin, and 11,000 acre-feet annually is allocated to the State of Nevada for use within said basin. After use of the water allocated herein, neither export of the water from the Lake Tahoe Basin nor the reuse thereof prior to its return to the lake is prohibited. This allocation is conditioned upon the construction of the overflow weir; however, it is recognized that there may well be a period of time between the effective date of the compact and the construction of the overflow weir; during that period of time both states shall be permitted to use waters within the Lake Tahoe Basin subject to the same conditions, both as to place of use and amounts of use, as are provided in this Article V.

E. In addition to the other allocations made by this compact, transbasin diversions from the Lake Tahoe Basin in both states existing as of December 31, 1959, may be continued, to the extent that such diversions are recognized as vested rights under the laws of the state where each such diversion is made.

The diversion of a maximum of 3,000 acre-feet per annum from Marlette Lake for use in Nevada is hereby recognized as an existing transbasin diversion within the meaning of this Section E.

F. Pumping from Lake Tahoe Basin for the benefit of downstream users within the Truckee River Basin shall be permitted only in the event of a drouth emergency as declared by the commission to the extent required for domestic, municipal, and sanitary purposes, and when it is determined by the commission that all other water available for such uses from all sources is being so utilized. In the event of such declaration of emergency, use of this water for such purposes shall have priority over use of water for any other purpose downstream from Lake Tahoe Basin. Pumping shall be done under the control and supervision of the commission and water pumped shall not be charged to the allocation of water to the Lake Tahoe Basin made herein.

ARTICLE VI. Truckee River Basin

The following allocations of water of the Truckee River and its tributaries, including Lake Tahoe releases, are hereby made in the following order of relative priority as between the states:

A. There is allocated to Nevada water for use on the Pyramid Lake Indian Reservation in amounts as provided in the 1944 Truckee River Decree (Final Decree in United States vs. Orr Ditch Company, et al. United States District Court for the District of Nevada, Equity No. A3). By appropriate court order, the United States, for and in behalf of the Pyramid Lake Indians shall have the right to change points of diversion, place, means, manner, or purpose of use of the water so allocated so far as such change may be made without injury to the allocations to either state.

B. There is allocated to California:

1. The right to divert within the Truckee River Basin in California 10,000 acre-feet of water per calendar year which may be stored in reservoirs at times when the flow in the channel of the Truckee River at the United States Geological Survey Gauging Station at or near the California-Nevada state line exceeds 500 cubic feet per second; provided that such diversions shall not in the aggregate exceed 2,500 acre-feet in any calendar month and the amount of such storage in any one reservoir, except Donner Lake, shall not exceed 500 acre-feet of active storage capacity.

2. The amount of water as decreed to the Sierra Valley Water Company by judgment in the case of United States vs. Sierra Valley Water Company, United States District Court for the Northern District of California, Civil No. 5597, as limited by said judgment.

3. Six thousand acre-feet of water annually from the conservation yield of Stampede Reservoir having a storage capacity of 225,000 acre-feet, subject to the execution of a contract or contracts therefor with the United States of America. California may divert all or any portion of said 6,000 acre-feet of conservation yield from Stampede Reservoir directly or by exchanges from any source on the Truckee River or its tributaries or from Lake Tahoe. California shall be allowed to deplete this allocation; provided, that in ascertaining the amount of depletion, credit for return flow shall be limited to the amounts of water which can be measured as a contribution to the Truckee River system.

4. If and when the water allocated to California in subparagraphs 1 and 3 of this section and in Article V is being used, or such use appears imminent, the commission shall permit California to develop additional yields of water for use in California, either directly or by exchange subject to the following limitations:

(a) All existing beneficial uses of water for domestic, municipal, industrial, and agricultural purposes in Nevada as determined by Nevada law as of that time together with the yield of Stampede Reservoir in excess of 6,000 acre-feet shall be recognized and not impaired by the development of such additional yield.

(b) Additional yields developed for use in California shall be limited to an amount not to exceed an aggregate of 10,000 acre-feet annually, and such development shall be for domestic, municipal, and industrial uses solely. California shall be allowed to deplete this allocation; provided, that in ascertaining the amount of depletion, credit for return flow shall be limited to the amounts of water which can be measured as a contribution to the Truckee River system.

(c) The right of the commission to permit Nevada to share in such additional yield upon participation by Nevada in bearing a proportionate cost of developing such additional yield.

C. The right to store in Prosser Creek Reservoir a maximum of 30,000 acre-feet of water annually with the priority as set forth in California State Water Rights permit 11666 and to release water therefrom as set forth in said permit and any license which may be issued thereunder is hereby recognized and confirmed.

D. There is allocated to Nevada all water in excess of the allocations made in Sections B and C of this article.

ARTICLE VII. Carson River Basin

The following allocations of water of the Carson River and tributaries are hereby made in the following order of priority as between states:

A. There is allocated to the State of California:

1. The right to divert from the natural flow of the West Fork Carson River and its tributaries for existing nonirrigation uses, and for direct irrigation use commencing on March 15 and ending on October 31 of each year on presently irrigable lands determined to be approximately 5,600 acres, an aggregate flow of water equal to a 30-day average of 3 c.f.s. per 100 acres or 168 c.f.s. for the area as a whole; provided that the 3 c.f.s. per 100-acre limitation shall not prevent greater rates of diversion for those areas which have an established greater rate of use; provided further, however, that the maximum aggregate diversion shall not exceed 185 c.f.s. measured at the points of diversion.

Provided, however, diversions for use downstream from the western boundary of Section 34, Township 11 North, Range 19 East, Mount Diablo Base and Meridian, shall be subject to the following limitations:

(a) Whenever, after the first Monday in May or any day in that week or alternate weeks thereafter of any year the flow of the West Fork of the Carson River at said western boundary shall have fallen below 175 cubic feet per second, then, until October 31 next, water users in California who divert from the West Fork of the Carson River downstream from said western boundary shall rotate all or any portion of the natural flow of the West Fork of the Carson River necessary to satisfy the demand of Nevada lands with water users in Nevada every other week beginning with the week following that in which water is used in Nevada, and during each rotation period said California users shall be entitled to divert the natural flow of the West Fork of the Carson River during their rotation weeks.

(b) Rotation between water users in California and Nevada on the West Fork of the Carson River may be terminated in whole or in part upon approval of the commission for such termination, upon provision being made so that sufficient water is available by storage or exchange to assure that the water users in Nevada will receive at the same time the flow of water which would have been available to the Nevada water users under rotation.

(c) Stock water, domestic water, and water for fire protection purposes may be diverted downstream from said western boundary from the natural flow of the West Fork of the Carson River at all times by owners of irrigation water rights in California whose lands are contiguous to the West Fork of the Carson River; provided, however, that such diversion shall be limited to the amounts actually required to deliver water for such purposes, and any excess over the amount so diverted shall be returned to the West Fork of the Carson River whenever practicable. Water diverted under this provision shall not be converted to any other use. The commission or its designee shall rule on any challenge relative to the necessity and amount of water required for such purposes.

2. The right to divert from the natural flow of the East Fork Carson River and its tributaries for existing nonirrigation uses, and for direct irrigation use commencing on March 15 and ending on October 31 of each year on presently irrigable lands determined to be approximately 3,820 acres, an aggregate flow of water equal to a 30-day average of 3 c.f.s. per 100 acres or 115 c.f.s. for the area as a whole; provided that the 3 c.f.s. per 100-acre limitation shall not prevent greater rates of diversion for those areas which have an established greater rate of use; provided further, however, that the maximum aggregate diversion shall not exceed 115 c.f.s. measured at the points of diversion.

3. There is allocated to the State of California the right to store 2,000 acre-feet of water per annum within Alpine County for supplemental use on presently irrigated lands within said county adverse to Lahontan Reservoir but subject to all other existing uses in Nevada. Water stored pursuant to this section remaining at the end of the year shall be deemed to have been stored in the succeeding year.

B. There is allocated to the State of Nevada:

1. The right to divert water from the natural flow of the Carson River and its tributaries during the period commencing March 15 and ending October 31 of each year at the rate of 3 c.f.s. per 100 acres for use on presently irrigated lands in the area above Lahontan Reservoir determined to be approximately 41,320 acres. The rate of 3 c.f.s. per 100 acres is based on a 30-day average for the area as a whole and shall not prevent greater rates of diversion for those areas that have an established greater use; provided that the aggregate diversion measured at the points of diversion shall not exceed 700 c.f.s. on the East Fork of the Carson River, 300 c.f.s. on the West Fork of the Carson River, and 220 c.f.s. on the Main Carson River below the confluence of the East and West Forks.

The combining and exchanging of the use of water between ditches and among users shall be permitted at all times and shall be required whenever necessary in order to obtain reasonable economy in the use of the water of the river or other streams, or in order to give to each ditch or user a more advantageous irrigation head.

2. Subject to allocations made in subsection B.1 and Section C of this article, the right to divert water from the Carson River for irrigation use either by direct diversion or by storage in Lahontan Reservoir or other existing reservoirs for use on the Newlands Project.

C. There is allocated to each state the right to store water in existing reservoirs upstream from Lahontan Reservoir to the extent of existing capacity with the appropriate priority with respect to natural flow rights upstream from Lahontan Reservoir under applicable state law, and use such stored waters on the lands in each state to which the storage is appurtenant.

D. Additional yields shall be available for development under the currently authorized Washoe Project from water available in excess of existing beneficial uses recognized by Nevada law, or under other new projects upon a determination by the commission that there is water available on the Carson River and its tributaries in excess of that required to satisfy existing beneficial uses in Nevada as determined by Nevada law as of the time of authorization or construction of such new projects. Such additional yields shall be allocated between the states with equal priority, 20 percent of which shall be allocated to California and 80 percent to Nevada.

Each state shall have the right to participate in any development project by bearing a proportionate cost of such development. In the event that joint developments are found to be not feasible or desirable, each state may develop separately its proportionate share of the remaining water.

E. Except as provided by Article X of this compact, the waters of the Carson River shall not be used in areas outside the Carson River Basin.

ARTICLE VIII. Walker River Basin

A. Allocation to Present Rights and Uses

1. Except as the rights of the Walker River Irrigation District may be limited by subsections 2 and 3 below, the provisions of the decree in the case of United States v. Walker River Irrigation District, et al., United States District Court for the District of Nevada Equity No. C-125, filed April 15, 1936, as amended by the Order of the Honorable A.F. St. Sure, dated April 24, 1940, hereafter called Decree C-125 are hereby recognized and confirmed.

2. The rights of the Walker River Irrigation District to store water of the West Walker River in Topaz Reservoir with a storage capacity of 59,000 acre-feet, under Part VIII of Decree C-125 and under any other basis of right, and to use such water, are hereby recognized and confirmed, subject to the following:

(a) The maximum quantity of water which can be diverted annually to storage is 85,000 acre-feet. No more than 85,000 acre-feet of water less reservoir evaporation can be rediverted for use within the district annually. The 85,000 acre-feet amount so allowed to be diverted to storage and rediverted to use include water used under direct diversion rights in Decree C-125 acquired by said district prior to 1964. For the purpose of this provision "annually" means the period from November 1 through October 31 of the following year.

(b) The maximum rate of diversion to such reservoir under such rights is 1,000 c.f.s.

(c) For the purpose of determining the availability of water to satisfy rights junior to the Topaz Reservoir storage rights of the Walker River Irrigation District, or for division between the states as unused water, water which has been stored, or is available for storage in and can be physically diverted to such reservoir under such reservoir rights but is released or is allowed to pass through the reservoir and is not rediverted to use in Nevada, shall be deemed to have been held in storage; provided, that until a new major storage project is constructed on the West Walker River, the foregoing shall not apply to the extent that said district with the concurrence of the watermaster determines, prior to the release or passing through of such water from Topaz Reservoir in any year, that it is necessary to release or pass through such water in order to provide storage space in Topaz Reservoir as a means of protecting lands in Nevada against flood damage later in the year.

3. The rights of the Walker River Irrigation District to store water of the East Walker River in Bridgeport Reservoir with a storage capacity of 42,000 acre-feet, under Part VIII of Decree C-125 and under any other basis of right, and to use such water, are hereby recognized and confirmed, subject to the following:

(a) The maximum quantity of water which can be diverted to storage in any year is 57,000 acre-feet. No more than 57,000 acre-feet of water less reservoir evaporation can be rediverted for use within the district in any year. The 57,000 acre-feet amounts so allowed to be diverted to storage and rediverted to use include water used under direct diversion rights in said decree acquired by said district prior to 1964 except for water used under such rights prior to 1964 on lands owned by said district in Bridgeport Valley. For the purpose of this provision "year" means the period from November 1 of one calendar year to October 31 of the following calendar year.

(b) Water of the East Walker River and its tributaries may, adversely to the Bridgeport Reservoir storage rights hereinabove recognized and confirmed, be stored upstream from said reservoir in any year, for later use after the spring flood of the year in which the water was so stored, under rights junior to said reservoir rights; provided, that when the Walker River system is put on priority under Decree C-125 after the annual spring flood, or upon demand made prior to the spring flood for water necessary to satisfy early season demand, the watermaster shall make an accounting and water shall be released from said upstream storage in such amounts as determined by the watermaster to be necessary to satisfy said reservoir rights to the same extent as they would have been satisfied in the absence of said adverse upstream storage.

4. (a) There is allocated to each state respectively the amount of existing diversions and uses of water of the Walker River Basin diverted upstream from Weber Reservoir and not specifically covered in Decree C-125, provided, that this allocation shall not include water distributed under the historical administration of Decree C-125 in excess of the rights set forth in Decree C-125 to lands having rights thereunder. In making this allocation, it is recognized that the amounts of water allocated and the respective priorities are not presently known with certainty. The commission shall as soon as practicable after its effectuation provide for an investigation, either with its own staff or by other agencies or persons, to ascertain with certainty the amounts of water and priorities of such uses. As between the respective states, the priorities shall be determined as follows: In cases of use not under state-recognized rights, the priorities shall be the date of initiation of use; in cases of use under state-recognized rights, the priorities shall be as provided under the law of the state where the diversion is made. Upon approval by the commission, the results of the investigation shall be binding as to the allocation to each state hereunder.

(b) In addition to rights recognized in subsection A.1 of this article there is allocated to Nevada for use on the Walker River Indian Reservation a maximum of 13,000 acre-feet per year for storage in Weber Reservoir and later rediversion to use and in addition 9,450 acre-feet per year to be diverted from natural flow. Both allocations shall have a priority of 1933. The season for diversion of water to storage shall be from November 1 to October 31 of the following year. The season for diversion of water directly for use shall be from March 1 to October 31 and at a maximum rate of 60 cubic feet per second. For the purpose of determining the availability of water to satisfy rights junior to this allocation or for division between the states as unused water, water which has been stored, or which can be physically stored or diverted to use under this allocation but is released or is allowed to pass through Weber Reservoir and is not rediverted to use on the Walker River Indian Reservation, shall be deemed to have been held in storage or used; provided, that the foregoing shall not apply to the extent that the appropriate representative of said reservation with the concurrence of the watermaster determines prior to the release or passing through of such water from Weber Reservoir in any year, that it is necessary to release or pass through such water in order to provide storage space in Weber Reservoir as a means of protecting lands in Nevada against flood damage later in the year; provided, further, that the foregoing shall not apply to passage of water of inferior quality to the extent that such passage may be necessary to maintain the water of suitable quality for irrigation on said reservation as determined by the commission.

Water of the Walker River and its tributaries may, adversely to the Weber Reservoir storage rights hereinabove recognized and confirmed, be stored upstream from said reservoir in any year, for later use after the spring flood of the year in which the water was so stored, under rights junior to said reservoir rights; provided, that when the Walker River system is put on priority under Decree C-125 after the annual spring flood, or upon demand made prior to the spring flood for water necessary to satisfy early season demand, the watermaster shall make an accounting and water shall be released from said upstream storage in such amounts as determined by the watermaster to be necessary to satisfy said reservoir rights to the same extent as they would have been satisfied in the absence of said adverse upstream storage.

5. In addition to rights recognized in subsections A.1 and A.4(a) above, there is allocated to California water of the West Walker River as follows:

(a) When all direct diversion rights under Decree C-125 are being satisfied and simultaneously water of the West Walker River is being diverted to storage pursuant to the Topaz Reservoir storage rights recognized and confirmed in subsection 2 of this Section A, but there is not flow in excess of that required to fully satisfy Topaz Reservoir storage rights, diversions in Antelope Valley in excess of the amounts to which Antelope Valley lands are entitled under Decree C-125 shall be permitted by the watermaster for such periods and in such amounts as, in the sound professional judgment of the watermaster, will not cause, on an overall irrigation season basis, any discernible net reduction in the amount of water available to satisfy said Topaz Reservoir storage rights.

(b) Such excess diversions may be used only on Antelope Valley lands entitled to water under Decree C-125 which can be served from the ditch systems existing as of the effective date of this compact.

(c) The allocation in this subsection 5 shall terminate after construction of a new major storage project on the West Walker River upstream from Antelope Valley.

B. Allocation of Unused Water

1. The term "unused water" includes all waters of the Walker River and its tributaries in excess of the amounts allocated, or required for satisfaction of rights and uses recognized and confirmed, as provided under Section A of this Article VIII, except that there shall be excluded therefrom natural flow which is not physically available above the head of Mason Valley. There is allocated to the State of California 35 percent of such unused water, and there is allocated to the State of Nevada 65 percent of such unused water. The allocation to each state provided herein in this subsection B.1 shall be equal in priority.

(a) The reregulation by storage of waters allocated for storage shall not be considered as the development of "unused water."

2. Neither state shall be precluded from constructing works for the control, use and development of the water allocated pursuant to subsection B.1 of this article for optimum use of water.

3. While separate development may be undertaken by either state for surface storage of unused water of the West Walker River so allocated, the State Engineer of the State of Nevada and the Department of Water Resources of the State of California shall cooperate in a joint review of all potential developments of unused water of the West Walker River so allocated in subsection B.1 of this Article VIII and shall prepare and present a report of the benefits to be obtained, and other relevant data from each such development to the commission or if the commission has not yet become operative, to the joint commission which negotiated this compact, at a public hearing or hearings held at times and places within the Walker River Basin set by the commission or said joint commission.

(a) Should a separate surface storage project or projects be constructed in Nevada to develop Nevada's share of the unused water of the West Walker River, California may thereafter store and use said unused water allocated to Nevada adverse to such Nevada storage projects, provided that, without charge to Nevada, California makes available for consumptive use in Nevada, water in the same amounts, at the same times, and in the same places as would have been available for use in Nevada from such Nevada storage projects had California not so stored and used said unused water allocated to Nevada; and provided further that Nevada shall not be deprived of water required for: (1) maintenance of a minimum reservoir level for the preservation of fish life and (2) nonconsumptive uses which are found by the commission to be in the public interest of the Walker River Basin as a whole.

(b) From time to time after construction of each surface storage project upstream from Topaz Reservoir, for development of the unused water allocated herein, the commission shall determine the amounts of water which may be diverted and used in each state pursuant to its allocation as the result of the construction and operation of such project. In making such determination the commission shall compute any increase of yield of previously constructed reservoirs which may result from operation of such project constructed to develop unused water and shall include such increase in the amounts of water which may be diverted and used in each of the two states pursuant to its allocation of unused water.

4. Return flow to the Walker River or its tributaries from any source shall be deemed to be natural flow.

5. Unused water shall be used only:

(a) Within the Walker River Basin;

(b) Within the portion of Artesia Lake Basin south of the northern township line of Tier 12 North and west of a line one mile east of the eastern range line of Range 23 East, Mount Diablo Base Line and Meridian;

(c) Within the portion of Mason Valley and Adrian Valley south of the northern township line of Tier 15 North, Mount Diablo Base Line;

(d) Within the area tributary to Topaz Lake; or

(e) Any combination of the above areas.

C. Watermaster

1. A single watermaster shall have the responsibility and power to administer: (a) all rights and uses of water of the Walker River Basin recognized in Section A of this Article VIII, including rights under Decree C-125, (b) the allocation between the states provided for in this compact of water of the Walker River Basin in excess of that necessary to satisfy such rights and uses, and (c) all rights acquired to use water so allocated.

2. The watermaster shall be nominated by the commission as soon as practicable after this compact goes into effect, but his appointment shall not become effective until approved and confirmed by the Federal District Court for the District of Nevada, it being the intent of this compact that only a person satisfactory to both the commission and said court be the watermaster under this compact and under Decree C-125. At any time either the commission or said court may terminate the appointment of the person serving as watermaster by adopting an appropriate resolution or order, and notifying the other and the watermaster thereof. When a vacancy occurs by such action or by the death or resignation of the person serving as watermaster, a successor shall be selected by the same procedure as provided for the original appointment.

3. Until appointment of the watermaster becomes effective by approval and confirmation of said court, either as to the original selection of the watermaster or subsequent selections to fill a vacancy, a person designated by the commission shall have interim responsibility and power to administer the allocation between the states referred to in subsection 1(b) above and all rights and uses other than the rights under Decree C-125, and the rights and uses under Decree C-125 shall be administered on an interim basis as may be provided by said court.

4. Actions and decisions of the watermaster as to the administration of the rights under Decree C-125 shall be subject to review and modification by said court. Actions and decisions of the watermaster as to the administration of the allocation between the states referred to in subsection 1(b) above and of all rights and uses other than rights under Decree C-125 shall be subject to review and modification by the commission.

5. Said court is requested to appoint a six-member advisory board composed of one person each representing: (1) the East Walker River Basin in California, (2) the West Walker River Basin in California, (3) the East Walker River Basin in Nevada, (4) the West Walker River Basin in Nevada, (5) the Main Walker River Basin in Nevada, and (6) the Walker River Indian Reservation. The watermaster shall prepare an annual budget of proposed expenditures for personnel, equipment, supplies, and other purposes deemed by him to be necessary to carry out his functions. In the formulation of said budget the watermaster shall consult with said advisory board. In the event that said advisory board is not in agreement with the budget proposed by the watermaster, it shall so advise said court. Said budget shall require approval of both the commission and said court to become effective.

6. The expenditures attributable to administration of the rights under Decree C-125 shall be apportioned and collected in accordance with orders of said court. The expenditures attributable to administration of all other rights and uses of the water of the Walker River Basin under this compact shall be equitably apportioned among, and collected from, the users thereof by the watermaster under rules and regulations of the commission, and the commission shall have the power to enforce collection thereof by any reasonable means, including court action in any state or federal court of appropriate jurisdiction. The expenditures attributable to administering the allocation between the states referred to in subsection 1(b) above shall be borne by the commission as part of the expense under Article IV, subsection B.1 of this compact.

ARTICLE IX. Ground Water and Springs

A. Development and Use of Ground Water

1. Both states shall have the right to develop and use ground water within their respective boundaries; provided that development and use of ground water in one state shall not reduce the amount of water which the other state would have received under the allocation herein if ground water were not developed and used.

2. In the development and use of ground water pursuant to this article, wells or other methods of collecting underground water shall be constructed in a manner which will assure that water will not be drawn directly from allocated surface water. In the absence of proof to the contrary made to the commission, wells drilled within 500 feet from any perennial streams which are not sealed from the surface to a depth of at least 50 feet shall be deemed prima facie to draw directly from allocated surface water.

B. Each state shall have the right to use water from springs; provided that the use of water from springs in one state shall not reduce the amount of water which the other state would have received under the allocations herein if water from springs were not used.

C. Effect on Allocations

1. The commission shall have authority to take such action as it deems appropriate, so that the allocations of water made by this compact to either state shall not be adversely affected by ground water withdrawals or use of water from springs in the other state.

2. If either state claims that the development and use of ground water or water from springs in the other state reduces the amount of water which said state would have received under its allocation if such ground water or water from springs were not developed and used, it may file a protest with the commission in accordance with the rules of the commission. The commission is empowered to receive evidence on any protest and make its ruling thereon.

ARTICLE X. Interbasin Transfers of Use

Either state may use directly, by exchange, or otherwise its allocated waters of the Truckee River in the Lake Tahoe Basin or the Carson River Basin, or its allocated waters of the Carson River in the Lake Tahoe Basin or the Truckee River Basin. The commission shall have authority to take such action as it deems appropriate so that the allocations of water made by this compact to either state shall not be adversely affected by such use in the other state.

Nothing herein shall preclude the use of Lake Tahoe as a physical facility to accomplish the use of Truckee River waters in the Carson River watershed or Carson River waters in the Truckee River watershed, but in no event shall the use of Lake Tahoe as such a physical facility be inconsistent with any provision of Article V of the compact.

ARTICLE XI. Suppression of Evaporation

A. Either state is entitled, but not obligated to participate in any project for the conservation of water through the suppression of evaporation. The yield of any such project shall be allocated to each state by the commission in such proportion as shall be determined by the commission, taking into consideration such factors as the commission deems pertinent. Such allocation of yield to each state shall be in addition to the waters allocated to each state by other provisions of this compact.

B. Subject to the power of the commission to allocate the increased yield resulting from suppression of evaporation as set forth above, no existing property right shall be adversely affected except by agreement with the owner, or as may be otherwise permitted by state law. Nothing herein shall diminish or supersede any law of either state regarding water quality, including but not limited to conditions affecting fish and wildlife.

ARTICLE XII. Coordination of Reservoirs

A. The commission shall have the authority to prepare plans for the coordination of reservoirs and the method of implementation of any such plans prepared, and to approve the same and to review and revise such approved plans from time to time as the commission may deem appropriate. Prior to the preparation of any such plan and implementation or review or revision thereof, the owners of all reservoirs to be affected thereby shall be given the opportunity of participating in such preparation, review, or revision.

B. Prior to the approval thereof, the commission shall provide for public hearings concerning such a plan, review, or revision upon such notice as the commission deems appropriate.

C. Any owner of a reservoir shall have the right to refuse to participate in any such plan, or method of implementation, or review or revision thereof, and in such event such reservoir shall be excluded therefrom, and any plan or implementation or review or revision concerning other reservoirs as may be approved shall not adversely affect the use of the reservoir or the right to the use of water therefrom, which has been excluded.

D. Owners of reservoirs may develop plans for coordination thereof, but shall give written notice to the commission at least 60 days prior to their implementation.

ARTICLE XIII. Fish, Wildlife, and Recreation

The use of waters for preservation, protection, and enhancement of fish, wildlife, and recreation is hereby recognized as an inseparable part of the public interest in the use of the waters of Lake Tahoe, Truckee, Carson and Walker River Basins in both states, and is, therefore, beneficial.

ARTICLE XIV. Nonconsumptive Use

Each state may use water for nonconsumptive purposes, including but not limited to flood control, recreation, fishery and wildlife maintenance and enhancement, and hydroelectric power generation, provided that such uses result in no discernible reduction in the water allocated to the other state.

ARTICLE XV. Diversion and Exchange of Yield From Future Reservoirs

Upon the construction of a surface storage project or projects to store unused water herein allocated, users who become entitled to the yield therefrom may, at any point where water is physically available, divert water to use subject to approval of the commission and conditioned upon providing water in exchange for such diverted water as directed by the commission, so that other users, including owners of reservoir storage or owners of interest in waters stored, receive their entitlement of water in time, place, and quality the same as if the diversion and exchange had not been made.

**ARTICLE XVI. Change of Point of Diversion, Manner,
Purpose, or Place of Use**

Any change of point of diversion or of manner, purpose or place of use of the waters of the Carson, Truckee or Walker River Basins may be made in either state pursuant to state law or applicable court decree, provided that such change shall not adversely affect the allocation of water to the other state. Either state, if permitted by state law, may permit a change to other use of water formerly consumed by natural subirrigation on meadows. It shall be the duty of each state to initiate proceedings before the commission if it believes that such change in the other state would adversely affect its allocation. In the event of the initiation of such a proceeding a commission hearing shall be held and the person desiring the change shall have the burden of establishing that such change would not adversely affect the allocation to the complaining state. In the event the person desiring the change does not establish that such change would not adversely affect the allocation to the complaining state, the commission shall enter such order as it deems appropriate to assure that the allocation to the complaining state is not adversely affected.

ARTICLE XVII. Imported Water

The provisions of this compact respecting allocation of water are applicable solely to the waters of the Truckee, Carson, and Walker River Basins and the Lake Tahoe Basin. To the extent that either state imports into the Truckee, Carson or Walker River Basins or the Lake Tahoe Basin water from another river or source the state making the importation shall have the exclusive use of such imported water unless by written agreement between the states it is otherwise provided. Nothing herein shall preclude either state from using such imported water as replacement or exchange water to meet such conditions as may be imposed by the commission pursuant to the provisions of this compact.

ARTICLE XVIII. Compact Effect

A. Each state and all persons using, claiming, or in any manner asserting any right to the use of the waters of Lake Tahoe, Truckee River, Carson River, and Walker River Basins, shall be subject to the terms of this compact.

B. The provisions of this compact shall be self-executing and shall by operation of law be conditions of the various state permits, licenses, or other authorizations relating to the waters of Lake Tahoe, Truckee River, Carson River and Walker River Basins.

C. Nothing in this compact shall abridge, limit or derogate against any claim or right of anyone to the use of water in either state within the allocations to such state that could or may be made or established under state or federal law had this compact not been adopted; provided, that the place of use, under any such right, of water from any of the four basins covered by this compact shall be limited to such basin or such other areas outside such basin as are permissible places of use of water from such basin under this compact.

D. Nothing in this compact shall be construed as granting to any person or entity the right to divert, store, or use water.

ARTICLE XIX. Violations

A. Violations or threatened violations of any of the provisions of this compact which come to the attention of the commission shall be promptly investigated by it. If after such investigation the commission determines further action is necessary it may take such action as it deems advisable including, but not limited to, the commencement of an action injunctive or otherwise in its own name in any court of general jurisdiction of the state where the violation has occurred or is threatened, or the United States District Court for the district where said violation has occurred or is threatened, or if it is determined by the commission appropriate to do so, refer the matter with its recommendations, if any, to an appropriate federal, state, or local official or agency or board for action.

B. In any action concerned with any matter in which the commission has made a decision, the findings of the commission shall constitute prima facie evidence of the facts found.

ARTICLE XX. Recourse to Courts

Nothing in this compact shall be construed to limit or prevent either state or any person or entity from instituting or maintaining any action or proceeding, legal or equitable, in any court of competent jurisdiction for the protection of any right under this compact or the enforcement of its provisions, provided that in all matters in which the commission is given jurisdiction by this compact to make a decision no such court action shall be commenced until the matter has been submitted to the commission for decision and decided by it, unless a decision by the commission has been unreasonably delayed.

ARTICLE XXI. Nonimpairment of Rights of United States

Except as provided in Article XXII nothing in this compact shall be construed as:

A. Affecting the obligations of the United States to the Indians and Indian tribes, or any right owned or held by or for Indians or Indian tribes which is subject to the jurisdiction of the United States.

B. Affecting any rights or powers of the United States of America, its agencies or instrumentalities in or to the waters of the Truckee, Carson, or Walker River Basins or the Lake Tahoe Basin, or its capacity to acquire rights in and to the use of said waters.

C. Subjecting any property of the United States, its agencies or instrumentalities to taxation by either state or subdivision thereof.

D. Subjecting any property of the United States of America, its agencies or instrumentalities to the laws of any state to an extent other than the extent to which such laws would apply without regard to this compact.

ARTICLE XXII. Ratification and Consent

This compact shall become effective when, but only if:

(1) It shall have been ratified by acts of the Legislature of each of the States of California and Nevada;

(2) It shall have been consented to by act of Congress of the United States; and

(3) Congress provides in its consent legislation or by separate legislation that the following provisions of the compact shall be binding on the agencies, wards, and instrumentalities of the United States of America:

Article V, Section D

Article V, Section F

Article VI, Subsection B.1
Article VI, Subsection B.3
Article VI, Subsection B.4
Article VI, Section D
Article VII, Section A
Article VII, Section B
Article VII, Section C
Article VII, Section D
Article VII, Section E
Article VIII, Subsection A.4(b)
Article VIII, Subsection B.1
Article VIII, Subsection B.5

ARTICLE XXIII. Termination

This compact may be terminated any time by legislative consent of both states, but notwithstanding such termination all rights then established hereunder or recognized hereby shall continue to be recognized as valid.

In witness whereof the commissioners have executed six counterparts hereof, each of which shall be and does constitute an original and one shall be deposited with the Administrator of General Services of the United States of America, and two of which shall be forwarded to the Governor of each signatory state, and one of which shall be made a part of the permanent records of the California-Nevada Compact Commission.

(Added to NRS by [1969, 69](#); A [1969, 1259](#); [1971, 29](#))

NRS 538.610 Governor to give notice of state's ratification. The Governor shall give notice of the ratification of the California-Nevada Interstate Compact by the Nevada Legislature to the Governor of the State of California and to the President of the United States.

(Added to NRS by [1969, 88](#))

NRS 538.620 Compensation of commissioners and State Engineer; claims for payment of expenses.

1. The Nevada members of the California-Nevada Interstate Compact Commission, designated or appointed pursuant to Article IV of the Compact, if not in the regular employ of the State, are entitled to receive a salary of not more than \$80 per day, as fixed by the Commission, for time actually spent on the work of the Compact Commission.

2. The State Engineer and any other Nevada commission members who are in the regular employ of the State are not entitled to additional compensation.

3. While engaged in the business of the Commission, the State Engineer and any other Nevada commission members are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

4. Claims for payment of all such expenses incurred by the commission members must be made by the Office of the State Engineer on vouchers approved by the State Engineer and the State Board of Examiners and paid as other claims against the State are paid.

(Added to NRS by [1969, 88](#); A [1977, 146](#); [1981, 1988](#); [1985, 437](#); [1989, 1719](#))

NRS 538.630 Duties of state officers; cooperation.

1. All officers of this state shall do all things falling within their jurisdiction necessary or incidental to carrying out the provisions of the Compact.

2. All officers, departments and persons of and in the government and administration of this state shall, upon the request of the California-Nevada Interstate Compact Commission, furnish the Commission with information and data possessed by them and aid the Commission by any means within their legal powers.

(Added to NRS by [1969, 89](#))

MISCELLANEOUS PROVISIONS

NRS 538.650 Special distribution from Contingency Account to protect water right or supply of water from challenge or encroachment originating outside Nevada.

1. If a judicial or administrative proceeding has been initiated, by or on behalf of a person or other entity from outside of this state, that could adversely affect or place in jeopardy a water right or supply of water within this state, a local government may submit a request to the Director of the State Department of Conservation and Natural Resources for a special distribution by the Interim Finance Committee from the Contingency Account.

2. The Director of the State Department of Conservation and Natural Resources shall consider the request, may require from the requester such additional information as it deems appropriate, and shall, if the Director finds that a special distribution should be made, request approval from the State Board of Examiners and amount of the distribution to the Interim Finance Committee for its independent evaluation and action. The Interim Finance Committee is not bound to follow the recommendation of the State Board of Examiners or the Director of the State Department of Conservation and Natural Resources.

3. The State Board of Examiners and the Director of the State Department of Conservation and Natural Resources shall transmit its recommendation to the Director of the Legislative Counsel Bureau, who shall notify the Chair of the Interim Finance Committee. The Chair shall call a meeting of the Committee to consider the recommendation.

4. The Interim Finance Committee may make a special distribution from the Contingency Account if it finds that:

(a) The grant will be expended to assist local governments in the defense and protection of water rights and supplies of water, on behalf of the people of this state, from any challenge or encroachment originating outside of this state; and

(b) The requester will provide an amount of money, at least equal to the grant, for the same purpose.

5. The recipient of a special distribution made pursuant to this section:

(a) Shall provide an amount of money at least equal to the allocation which must be used for the same purpose.

(b) May, in accomplishing the public purpose set forth in paragraph (a) of subsection 4, use the money to employ legal counsel and other consultants necessary to participate in or negotiate the settlement of judicial or administrative proceedings concerning water rights or supplies of water.

◆c) Shall report to the Interim Finance Committee upon the expenditure of the money at such times and in such detail as is required by the Interim Finance Committee.

6. The total of the special distributions made by the Interim Finance Committee pursuant to this section must not exceed \$250,000 during each biennium. Any money distributed pursuant to this section that is not expended for the purpose for which it was distributed reverts to the Contingency Account at such time as is specified by the Interim Finance Committee.

7. As used in this section, "local government" means a political subdivision of this state, including, without limitation, a city, county, irrigation district, water district or water conservancy district.

(Added to NRS by [1991, 2070](#))