

Assemblymember Natha Anderson, Chair
Assembly Committee on Natural Resources
Transmitted via email: AsmNR@asm.state.nv.us

May 27, 2025

Re: Senate Bill 36 support letter

Dear Chair Anderson and Members of the Natural Resources Committee:

The Nature Conservancy (TNC) provides a letter of strong support for Senate Bill 36 (SB 36) Reprint 2 that establishes a program for voluntarily retiring groundwater rights for the State of Nevada. For over 40 years, TNC has been working in Nevada with a mission to conserve the lands and waters on which all life depends. With the limited water resources in our State, wise water management is critical to ensure livelihoods for people and nature into the future. ***Without water, the health and economies of our communities cannot thrive.*** Although many in our state depend on rivers like the Colorado River for water supplies, we are acutely aware that there is not enough water in the rivers for current uses, let alone increased use. Groundwater is an essential part of the State's water portfolio, supplementing limited surface water supplies and supporting domestic use, ranching, mining, business, industry, hunting, fishing, and recreation. This groundwater is also critical for Nevada's natural environment, supporting groundwater-dependent ecosystems (GDEs)¹ that are important water resources for plants, fish, and wildlife, and also provide valuable services to people, such as water purification, water retention, and climate regulation.

Because groundwater is underground, there are more uncertainties about how much water is available for use, which can make it harder to manage for the long term. We are seeing signs that groundwater is being overused in places where spring flows or river baseflows are declining or there are conflicts with existing water rights due to groundwater withdrawals. In 2022, TNC found that 39 percent of the over 6,500 wells we analyzed had significantly falling groundwater level trends over the past few decades (Saito et al. 2022), which can lead to drying of wells or springs, depletions in river flows, and other adverse impacts. ***Such impacts can take years, decades or even centuries to reverse, and in some cases, such as the loss of species, are irreversible.***

TNC supports enabling tools to resolve overuse of groundwater that can affect water availability for people, plants, and wildlife. Prior appropriation of groundwater does include curtailment by priority, but this approach may not resolve conflicts with existing water rights or impacts to environmental resources in a timely and effective manner because of the nature of groundwater movement and connection to surface water resources.

¹ Groundwater-dependent ecosystems rely on groundwater for all or part of their structure and function and include springs, wetlands, phreatophyte communities, rivers and streams, and lakes and playas.

SB 36 creates an alternative tool to address groundwater overuse by establishing a voluntary groundwater rights retirement program in Nevada that is aimed at permanently reducing consumptive use of groundwater in places with declining groundwater levels, conflicts with existing water users or impacts to GDEs (see <https://thenevadaindependent.com/article/in-the-nations-driest-state-two-bills-seek-to-buy-back-and-retire-unused-water-rights>). Voluntary groundwater rights retirement programs have been successfully used in states like Kansas and Colorado for decades to provide incentives for agricultural users to reduce groundwater use permanently to resolve declining groundwater levels (see attachment). Nevada piloted such a program through the Nevada Water Conservation and Infrastructure Initiative (NWCII; <https://dcnr.nv.gov/nwcii>) using \$25 million of American Rescue Plan Act funds that retired over 20,000 acre-feet of groundwater.² A recent commentary by a producer in Diamond Valley, Nevada shares how groundwater rights retirement has helped her family farm operations (see <https://www.reviewjournal.com/opinion/commentary-one-way-to-stretch-nevadas-dwindling-water-supplies-3363841/>). The state can use lessons learned from the NWCII as well as programs in other states to craft a robust program through regulations, but a program and account for receiving funds to retire groundwater rights needs to first be established legislatively, which is what SB 36 accomplishes.

TNC supports SB 36 because it creates an important tool for addressing overuse of groundwater with a voluntary program that willing water right holders can use. We are committed to help with a voluntary groundwater rights retirement program by seeking funds and implementing projects that can demonstrate effective groundwater rights retirement. We are also very appreciative of Senator Julie Pazina and Assemblymember Natha Anderson for leading discussions of groundwater rights retirement during the Interim Session which resulted in this bill. Thank you again for this opportunity to comment on SB 36. Please contact Dr. Laurel Saito, Nevada Water Strategy Director (laurel.saito@tnc.org; 775-453-6903) if you have any questions.

Sincerely,



Mauricia M.M. Baca
State Director
Nevada Chapter
The Nature Conservancy

Reference:

Saito L, Byer S, Badik K, Provencher L, McEvoy D. 2022. Stressor and Threat Assessment of Nevada Groundwater Dependent Ecosystems. The Nature Conservancy. Available at <https://www.groundwaterresourcehub.org/where-we-work/nevada/nevada-gde-stressor-threat/>

Attachment: Examples of voluntary groundwater rights retirement

² It is estimated that Nevada has about 2 million acre-feet of groundwater available for appropriation, but over 3 million acre-feet of groundwater rights have been granted.

Examples of voluntary water rights retirement in other states

Disclaimer: Water right values can vary dramatically depending on location and reason for purchase

Senate Bill 36 and Assembly Bill 104 propose to establish a voluntary water rights retirement program in Nevada. As in Nevada, other states are experiencing severe declines in groundwater availability. Voluntary water rights retirement programs have been tested in other states, with programs or legislation enacted in Oregon and Colorado in recent years. Kansas has had two programs in place since 2007 that have successfully retired water rights.

Oregon

Situation: The Harney Basin in eastern Oregon has experienced large groundwater level declines that are affecting groundwater users and natural resources

- [Harney Valley Groundwater Conservation Reserve Enhancement Program \(HVG CREP\)](#)
 - Purpose: Provide incentives for eligible groundwater irrigators to reduce their consumptive water use by voluntarily cancelling groundwater rights
 - Goal: Retire 40,000–50,000 acre feet per year (AFY) on 20,000 acres
 - Funding: \$65M with 20% from State of Oregon, and 80% from Farm Services Agency (FSA); up to \$10,000 additional incentives are available for retiring water rights on land impacting groundwater-dependent ecosystems

Colorado

Situation: Groundwater pumping for irrigation is impacting connected surface waters that threaten senior water rights and Colorado's compliance with interstate river compacts

- [Senate Bill 22-028](#) passed the State Legislature with no opposition and was signed by the Governor in May 2022
 - Rio Grande Water Conservation District water rights retirement program using funds from SB 22-028
 - Purpose: Incentivize and accelerate the state's program in retiring irrigation wells and irrigated acreage to comply with groundwater use reduction requirements
 - Goal: Permanently retire 40–50 productive irrigated crop circles in the San Luis Valley and save 11,000–15,000 AFY
 - Funding: Appropriated \$60M from the economic recovery and relief cash fund (ARPA)

Kansas

Situation: Intensive groundwater use over many years has depleted the water in the High Plains Aquifer, with projected depletions of almost 70% by 2070 if no intervention is made.

- [Upper Arkansas River and Rattlesnake Creek Conservation Reserve Enhance Program](#)
 - Purpose: Reduce aquifer declines, reduce spread of saline river water into the aquifer and restore riparian health, and reduce electricity use and soil loss
 - Goal: Enroll up to 40,000 acres, reduce groundwater consumption by 65,000 AFY, reduce electricity use by 16M kwh per year, reduce soil loss by 150,000 tons/year.
 - Funding: State of Kansas and FSA; as of September 2023, \$1.8M in state contracts have been done over the previous 15 years
 - As of September 30, 2023, 172 water rights have been enrolled that cover 23,891 acres and 46,683 AFY of water.
- [Water Rights Transaction Assistance Program \(WTAP\)](#)
 - Goal: Help restore aquifers and recover stream flows in critically depleted target areas
 - Funding: State of Kansas with federal and local match; as of fiscal year 2023, \$3.9M of state funds have been expended with \$1.1M of federal and local match
 - As of fiscal year 2023, 2,700 AFY of historic consumptive water use has been retired

Contact Laurel Saito at laurel.saito@tnc.org for more information

Prepared by The Nature Conservancy