



**CENTRAL NEVADA REGIONAL WATER AUTHORITY**  
**POLICY STATEMENT ON**  
**WATER CONSERVATION, BANKING AND LEASING**  
*Adopted June 17, 2022*

**BACKGROUND**

As the Nation's driest state, Nevada has limited water resources. Groundwater in many of Nevada's hydrographic basins are either fully allocated or overallocated especially those with large populations, and many more hydrographic basins may reach a fully allocated status in the near future. Most of the State's surface waters were put to use before the 20<sup>th</sup> century for agriculture which is the biggest water user in CNRWA member counties and vital to the region's economy and culture.

Nevada's continued growth and industrial development create additional demands and drought conditions threaten the sustainability of existing water supplies. Collaboration and a range of options are needed to conserve water use in the State on a temporary basis to help get through critical dry times and prepare for the future.

Water conservation, banking and sharing are management mechanisms designed to incentivize and increase water supply efficiency and reliability.

Water leasing is an alternative to selling water rights. One common hurdle to selling water rights is the legal problems that may arise. A water right is usually attached to a specific piece of land for a specific purpose. If the rights are separated from those lands they can be challenged. Also, there is a concern that selling rights and moving the water away can permanently dry up land ("buy and dry"), a scenario that harms rural communities and can create additional resource issues (e.g., land degradation).

Water leases in Nevada are primarily from agriculture to mining and industrial uses. In other states, agricultural entities lease water to municipalities, water districts and conservation groups for instream flow. Water transfers can become more complex by increasing the scale to include multiple parties or by increasing the number of agreements and conditions between the parties such as is the case with water banks.

## **CENTRAL NEVADA REGIONAL WATER AUTHORITY POLICY**

**I.** *It is the policy of the Central Nevada Regional Water Authority that water right holders in over-appropriated basins should be allowed to conserve, temporarily bank and lease their water and not be subject to forfeiture through “use it or lose it” during the time the water is not put to beneficial use as long as the conservation, banking and leasing does not conflict with other water rights or protectable interests in domestic wells and is otherwise in conformance with Nevada water law.*

**II.** *It is the policy of the Central Nevada Regional Water Authority that the goal of water conservation should be to create resilient and sustainable water supplies and to help bring over-appropriated groundwater basins and over allocated surface water systems into balance, recognizing conjunctive management may further limit available water previously allocated.*

**III.** *It is the policy of the Central Nevada Regional Water Authority that water conserved from over-appropriated groundwater basins and over allocated surface water systems should not be relied upon to meet future growth and demand.*

**IV.** *It is the policy of the Central Nevada Regional Water Authority that conservation measures must not be used to affect or eliminate priorities of existing water rights or diminish the historical consumptive use calculation should the water right owner ever seek a change of use of the base water right unless a majority of senior water right holders in a critical management area designated pursuant to NRS 534.110 agree to a groundwater management plan that may affect priorities.*

**V.** *It is the policy of the Central Nevada Regional Water Authority that a water conservation credit system which allows holders of water rights to conserve their water and not be subject to “use it or lose it” should not be used as a means to facilitate permanent or long-term water transfers from agriculture to development or facilitate out-of-basin or out-of-county transfers favoring development in urban areas at the expense of agriculture or rural areas.*

**VI.** *It is the policy of the Central Nevada Regional Water Authority that long-term fallowing or otherwise setting aside of land to not receive irrigation generally should not be considered “conservation” if it promotes “buy and dry” scenarios that have cascading effects on rural agriculture areas, their economies and other natural resources.*

**VII.** *It is the policy of the Central Nevada Regional Water Authority that participation in water banks must be voluntary and all water enrolled in a water bank system must be maintained and used through agreement by the water right owner who banked the water and any unused, available banked water returned to the water right owner without diminishing the water right.*

**VIII.** *It is the policy of the Central Nevada Regional Water Authority that water banks must be managed locally and not be used as a tool to facilitate out-of-basin, out-of-adjudicated river system, or out-of-county transfers favoring development in urban areas or industrial development at the expense of agriculture or rural areas.*

**IX.** *It is the policy of the Central Nevada Regional Water Authority that when the State Engineer considers an application or request to move water into a water bank he must ensure the banked water and future use of the banked water is in the public interest and does not impair the water rights held by other persons (such as following the intent when considering temporary water rights applications in NRS 533.345(2) and (3)) and if he approves such an application/request, the water could be used for a specified period of time within the bank's service area for other uses without the need for another change application subject to any limitations imposed by the State Engineer and ensuring any water rights holder feeling aggrieved has due process for legal or administrative review.*

**X.** *It is the policy of the Central Nevada Regional Water Authority that water banks must be open and transparent and have strict oversight of an accounting system that tracks the deposits and withdrawals of water to assure sustainability and integrity of the system and also have rules to protect those that have deposited water into the bank or have paid for water deliveries as borrowers if a water bank goes defunct at no fault of the depositors or borrowers.*

**XI.** *It is the policy of the Central Nevada Regional Water Authority that if a water bank does not require strict conformance to prior appropriation, it must provide assurances that any curtailment will be by priority or a conflict between water right holders addressed by priority.*

**XII.** *It is the policy of the Central Nevada Regional Water Authority that irrigated lands from which water is being transferred to a water bank or from which water must be removed to address over-pumping should be managed to avoid any harmful impacts (e.g., weed and rodent infestations, erosion and dust) to the community, other landowners and natural resources.*

**XIII.** *It is the policy of the Central Nevada Regional Water Authority that use of irrigation water from a water bank for a different manner of use should be based on the net irrigation water requirement which is water consumptively used or depleted in crop irrigation after removing precipitation contributions.*

**XIV.** *It is the policy of the Central Nevada Regional Water Authority that because water conservation credit programs and water banks are complex, they require extensive research and significant engagement and consensus with diverse stakeholders before determining if they are acceptable and applicable in Nevada or in any given area of Nevada.*