Representative Kim F. Coleman proposes the following substitute bill:

**WATER HOLDINGS ACCOUNTABILITY AND TRANSPARENCY AMENDMENTS**

**2018 GENERAL SESSION**

**STATE OF UTAH**

**Chief Sponsor:** Kim F. Coleman

**Senate Sponsor:** Curtis S. Bramble

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**LONG TITLE**

**General Description:**

This bill puts requirements on a city of the first class that supplies municipal water outside the city's jurisdictional boundaries.

**Highlighted Provisions:**

This bill:

- requires a city of the first class that supplies municipal water outside the city's jurisdictional boundaries to post certain information publicly and provide it to the state engineer;
- specifies that the state engineer may make rules regarding the form and content of information supplied by a city of the first class supplying municipal water to a service area outside the city's jurisdictional boundaries and shall also post the information to the division's website; and
- makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**
Be it enacted by the Legislature of the state of Utah:

Section 1. Section 10-8-15.5 is enacted to read:

10-8-15.5. Providing municipal water beyond jurisdictional boundaries.

A city of the first class that provides municipal water to a service area outside the city's jurisdictional boundaries shall:

(1) post the following information on the city's website:

(a) a map of the area being served;

(b) any change application number, if applicable, being used to service the area outside the city's jurisdictional boundaries;

(c) the quantity of water being used to service the area outside the city's jurisdictional boundaries;

(d) the rates assessed to water users, both inside and outside municipal boundaries;

(e) the number of retail water connections the city serves inside the municipal boundary and the number of retail water connections the city serves outside the municipal boundary;

(f) the number of master meter connections that provide culinary water to residents beyond the water meter; and

(g) a financial statement that shows separate financial accounting of revenues derived from water service delivered inside the municipal boundary and water service delivered outside the municipal boundary; and

(2) provide all the information described in Subsection (1) to the state engineer described in Section 73-2-1.

Section 2. Section 73-2-1 is amended to read:


(1) There shall be a state engineer.

(2) The state engineer shall:
(a) be appointed by the governor with the consent of the Senate;
(b) hold office for the term of four years and until a successor is appointed; and
(c) have five years experience as a practical engineer or the theoretical knowledge, practical experience, and skill necessary for the position.

(3) (a) The state engineer shall be responsible for the general administrative supervision of the waters of the state and the measurement, appropriation, apportionment, and distribution of those waters.
(b) The state engineer may secure the equitable apportionment and distribution of the water according to the respective rights of appropriators.

(4) The state engineer shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, consistent with the purposes and provisions of this title, regarding:
(a) reports of water right conveyances;
(b) the construction of water wells and the licensing of water well drillers;
(c) dam construction and safety;
(d) the alteration of natural streams;
(e) geothermal resource conservation;
(f) enforcement orders and the imposition of fines and penalties; and
(g) the duty of water.

(5) The state engineer may make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, consistent with the purposes and provisions of this title, governing:
(a) water distribution systems and water commissioners;
(b) water measurement and reporting;
(c) groundwater recharge and recovery;
(d) wastewater reuse;
(e) the form, content, and processing procedure for a claim under Section 73-5-13 to surface or underground water that is not represented by a certificate of appropriation;
(f) the form and content of a proof submitted to the state engineer under Section 73-3-16;
(g) the determination of water rights; or
(h) the form and content of applications and related documents, maps, and reports, including information required by Section 10-8-15.5.

(6) The state engineer shall maintain a section on the division's website titled "extraterritorial water service areas" and include in that section the information required by Section 10-8-15.5.

[(6)] (7) The state engineer may bring suit in courts of competent jurisdiction to:
(a) enjoin the unlawful appropriation, diversion, and use of surface and underground water without first seeking redress through the administrative process;
(b) prevent theft, waste, loss, or pollution of those waters;
(c) enable him to carry out the duties of the state engineer's office; and
(d) enforce administrative orders and collect fines and penalties.

[(7)] (8) The state engineer may:
(a) upon request from the board of trustees of an irrigation district under Title 17B, Chapter 2a, Part 5, Irrigation District Act, or another local district under Title 17B, Limited Purpose Local Government Entities - Local Districts, or a special service district under Title 17D, Chapter 1, Special Service District Act, that operates an irrigation water system, cause a water survey to be made of all lands proposed to be annexed to the district in order to determine and allot the maximum amount of water that could be beneficially used on the land, with a separate survey and allotment being made for each 40-acre or smaller tract in separate ownership; and
(b) upon completion of the survey and allotment under Subsection [(7)] (8)(a), file with the district board a return of the survey and report of the allotment.

[(8)] (9) (a) The state engineer may establish water distribution systems and define their boundaries.
(b) The water distribution systems shall be formed in a manner that:
(i) secures the best protection to the water claimants; and
(ii) is the most economical for the state to supervise.