



Fiscal Note
S.B. 52 3rd Sub. (Ivory)
 2019 General Session
 Secondary Water Requirements
 by Anderegg, J. (Anderegg, Jacob.)



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$0	\$(100,000)	\$(100,000)

State Government

UCA 36-12-13(2)(b)

Revenues	FY 2019	FY 2020	FY 2021
Total Revenues	\$0	\$0	\$0

Enactment of this legislation likely will not materially impact state revenue.

Expenditures	FY 2019	FY 2020	FY 2021
General Fund, One-Time	\$0	\$100,000	\$0
Water Resources C and D	\$0	\$10,012,000	\$10,050,000
New Account Created By Legislation	\$0	\$10,000,000	\$10,000,000
Total Expenditures	\$0	\$20,112,000	\$20,050,000

Enactment of this legislation could cost the Water Resources Conservation and Development Fund \$10 million ongoing, and the newly created Secondary Water Metering Restricted Account up to \$10 million per year, starting in FY 2020 through FY 2039. This legislation does not appropriate money into the Secondary Water Metering Restricted Account. The legislation could also cost the Division of Water Rights \$100,000 one-time from the General Fund to facilitate the secondary water suppliers' reports, starting in FY 2020. Enactment of this bill could further cost the Division of Water Resources \$12,000 one-time in FY 2020 and \$50,000 ongoing in FY 2021 from the Water Resources Conservation and Development Fund for additional staff to review the applications for exemption.

	FY 2019	FY 2020	FY 2021
Net All Funds	\$0	\$(20,112,000)	\$(20,050,000)

Local Government

UCA 36-12-13(2)(c)

Enactment of this legislation is likely to increase the costs to secondary water suppliers requiring them to install meters on new and existing connections. This bill is projected to affect estimated 176,000 secondary water connections in the state; the estimated cost to retrofit an existing connection with a meter is approximately \$1,300 per connection. The total costs to meter the use of existing secondary water for residential, commercial, industrial, and institutional uses by 2039 could be \$228.8 million. Up to 25% of these costs could be offset by loans and up to 50% by grants offered by the state to secondary water suppliers.

Individuals & Businesses

UCA 36-12-13(2)(d)

Enactment of this legislation is likely to increase the costs to secondary water suppliers requiring them to install meters on new and existing connections. To the extent that secondary water suppliers pass along meter installation costs to individual and business customers, enactment of this legislation could result in an estimated cost of up to \$1,300 per customer for an aggregate cost of \$228.8 million by 2039. Up to 25% of these costs could be offset by loans and up to 50% by grants offered by the state to secondary water suppliers.

Regulatory Impact

UCA 36-12-13(2)(e)

Enactment of this legislation could result in a large increase in the regulatory burden for Utah residents or businesses.

Performance Note

JR4-2-404

Required of the DNR - Water Resources and due by February 27, 2019

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.