

1 with the rights of others.

2 (b) Applications to exchange water as provided in Subsection (1)(a) may not be filed on
3 or after May 4, 1998.

4 (2) (a) The state engineer may require the owner of record of an approved exchange
5 application to provide:

6 (i) information concerning the diverting works constructed~~[-]~~ and the extent to which the
7 development under the exchange has occurred~~[-and]~~; or

8 (ii) other information the state engineer considers necessary to:

9 (A) insure the exchange is taking place~~[-to establish]~~;

10 (B) verify that the owner of the exchange still has a legal interest in the underlying water
11 right used as the basis for the exchange~~[-]~~; or ~~[to arrive at]~~

12 (C) determine the quantity of water being exchanged. ~~[This]~~

13 (b) The information required under Subsection (2)(a) shall be provided by the owner of
14 record of an approved exchange ~~[within]~~ no later than 60 days ~~[of notification by]~~ after the state
15 engineer requests the owner of record to submit the information.

16 (3) The state engineer may lapse an application made pursuant to this section under the
17 following conditions:

18 (a) the applicant has lost a legal interest in the underlying right used to facilitate the
19 exchange;

20 (b) the exchange can no longer be carried out as stated in the application;

21 (c) the applicant has not complied with the conditions established in approving the
22 exchange; or

23 (d) the applicant fails to provide the information as outlined in Subsection ~~[73-3-20]~~(2).

24 Section 2. Section **73-26-201** is amended to read:

25 **73-26-201. Entities eligible to receive developed water -- Selling or leasing water**
26 **outside entity boundaries.**

27 (1) Water developed by projects authorized under this chapter, except water reserved for
28 wildlife or public recreation, shall be made available by contract exclusively to the following
29 entities:

30 (a) the Bear River Water Conservancy District;

31 (b) the Salt Lake County Water Conservancy District;

- 1 (c) the Weber Basin Water Conservancy District; and
- 2 (d) municipalities, water companies, and any water conservancy district in Cache County.
- 3 (2) A conservancy district that purchases or leases developed water may lease the water
- 4 to any person.
- 5 (3) A municipality that purchases or leases developed water may sell or lease the water
- 6 to any person located:
 - 7 (a) within the boundaries of the municipality; or
 - 8 (b) outside the boundaries of the municipality:
 - 9 (i) but within the county in which the municipality is located; or
 - 10 (ii) into a state adjacent to the county in which the municipality is located, subject to state
 - 11 law and approval by the state engineer.
- 12 (4) A municipality, water company, or conservancy district that purchases or leases
- 13 developed water may use the water directly or by exchange under an approved change application
- 14 in accordance with Section [73-3-20] 73-3-3.

Legislative Review Note
as of 1-19-98 7:42 AM

A limited legal review of this bill raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel