

Representative Don L. Ipson proposes the following substitute bill:

WATER INFRASTRUCTURE FUNDING

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: J. Stuart Adams

House Sponsor: Don L. Ipson

LONG TITLE

General Description:

This bill creates the Water Infrastructure Restricted Account.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ creates the Water Infrastructure Restricted Account;
- ▶ describes uses of money in the Water Infrastructure Restricted Account;
- ▶ requires the Division of Water Resources and the Board of Water Resources to make rules; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

This bill appropriates in fiscal year 2016:

- ▶ to the Water Infrastructure Restricted Account, as a one-time appropriation from the General Fund, \$5,000,000.

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:



- 26 [73-10g-101](#), Utah Code Annotated 1953
- 27 [73-10g-102](#), Utah Code Annotated 1953
- 28 [73-10g-103](#), Utah Code Annotated 1953
- 29 [73-10g-104](#), Utah Code Annotated 1953
- 30 [73-10g-105](#), Utah Code Annotated 1953
- 31 [73-10g-106](#), Utah Code Annotated 1953



33 *Be it enacted by the Legislature of the state of Utah:*

34 Section 1. Section **73-10g-101** is enacted to read:

35 **CHAPTER 10g. WATER INFRASTRUCTURE**

36 **Part 1. Funding**

37 **73-10g-101. Title.**

38 (1) This chapter is known as "Water Infrastructure."

39 (2) This part is known as "Funding."

40 Section 2. Section **73-10g-102** is enacted to read:

41 **73-10g-102. Definitions.**

42 As used in this chapter:

43 (1) "Board" means the Board of Water Resources;

44 (2) "Division" means the Division of Water Resources; and

45 (3) "Restricted account" means the Water Infrastructure Restricted Account created in

46 Section [73-10g-103](#).

47 Section 3. Section **73-10g-103** is enacted to read:

48 **73-10g-103. Creation of the Water Infrastructure Restricted Account.**

49 (1) (a) There is created a restricted account in the General Fund known as the "Water
50 Infrastructure Restricted Account."

51 (b) The restricted account shall earn interest.

52 (2) The restricted account consists of money generated from the following sources:

53 (a) voluntary contributions made to the division for the construction, operation, or
54 maintenance of state water projects;

55 (b) appropriations made to the fund by the Legislature; and

56 (c) interest earned on the restricted account.

57 (3) Subject to appropriation, the division and the board shall manage the restricted
58 account created in Subsection (1) in accordance with this chapter.

59 Section 4. Section **73-10g-104** is enacted to read:

60 **73-10g-104. Authorized use of the Water Infrastructure Restricted Account.**

61 Money in the restricted account is to be used for:

62 (1) the development of the state's undeveloped share of the Bear and Colorado Rivers,
63 pursuant to existing interstate compacts governing both rivers as described in Title 73, Chapter
64 26, Bear River Development Act, and Chapter 28, Lake Powell Pipeline Development Act; and

65 (2) repair, replacement, or improvement of federal water projects for local sponsors in
66 the state of Utah when federal funds are not available.

67 Section 5. Section **73-10g-105** is enacted to read:

68 **73-10g-105. Loans -- Rulemaking.**

69 (1) The division and the board shall make rules, in accordance with Title 63G, Chapter
70 3, Utah Administrative Rulemaking Act in preparation to make loans from available funds to
71 repair, replace, or improve underfunded federal water infrastructure projects.

72 (2) The rules described in Subsection (1)(a) shall:

73 (a) specify the amount of money that may be loaned;

74 (b) specify the criteria the division and the board shall consider in prioritizing and
75 awarding loans;

76 (c) specify the minimum qualifications for an individual who, or entity that, receives a
77 loan, including the amount of cost-sharing to be the responsibility of the individual or entity
78 applying for a loan;

79 (d) specify the terms of the loan, including the terms of repayment; and

80 (e) require all applicants for a loan to apply on forms provided by the division and in a
81 manner required by the division.

82 Section 6. Section **73-10g-106** is enacted to read:

83 **73-10g-106. Requirement for repayment.**

84 (1) Any money utilized to construct water infrastructure to develop the state's share of
85 the Bear and Colorado Rivers are subject to the repayment provisions of Title 73, Chapter 26,
86 Bear River Development Act, and Chapter 28, Lake Powell Pipeline Development Act.

87 (2) Any money utilized for the repair, replacement, or improvement of federal water
88 infrastructure projects when federal funds are not available shall be repaid pursuant to the
89 terms and conditions established by the division and the board by rule under Section
90 73-10g-105.

91 Section 7. **Appropriation.**

92 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for
93 the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following sums of money
94 are appropriated from resources not otherwise appropriated, or reduced from amounts
95 previously appropriated, out of the funds or accounts indicated. These sums of money are in
96 addition to any amounts previously appropriated for fiscal year 2016.

97 To General Fund Restricted - Water Infrastructure Restricted Account

98 From General Fund, One-time \$5,000,000

99 Schedule of Programs:

100 General Fund Restricted - Water Infrastructure

101 Restricted Account \$5,000,000

102 The Legislature intends that, under Section 63J-1-603, appropriations under this section
103 not lapse at the close of fiscal year 2016.