

**MINUTES OF THE HOUSE
NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENT
STANDING COMMITTEE**

Room 445, State Capitol

February 18, 2015

Members Present: Rep. Lee B. Perry, Chair
Rep. Douglas V. Sagers, Vice Chair
Rep. Joel K. Briscoe
Rep. Melvin R. Brown
Rep. Scott H. Chew
Rep. Jack R. Draxler
Rep. Steve G. Handy
Rep. Timothy D. Hawkes
Rep. Mike K. McKell
Rep. Michael E. Noel
Rep. Kraig Powell
Rep. Scott D. Sandall
Rep. Mike Schultz

Members Absent: Rep. Susan Duckworth

Staff Present: Mr. J Brian Allred, Policy Analyst
Ms. An Bradshaw, Committee Secretary

NOTE: A list of visitors and handouts are filed with committee minutes

Chair Perry called the meeting to order at 8:09 a.m.

H.B. 254 Livestock Branding Amendments (*Rep. M. Noel*)

Rep. Noel explained the bill to the committee with the assistance of Cody James, Director, Animal Industry Division.

Spoke for the bill: Redge Johnson, citizen

MOTION: Rep. Sagers moved to adopt 1st Sub. H.B. 254. The motion passed unanimously with Rep. Briscoe absent for the vote.

MOTION: Rep. Sagers moved to pass the bill out favorably. The motion passed unanimously with Rep. Briscoe absent for the vote.

MOTION: Rep. Brown moved to place 1st Sub. H.B. 254 on the Consent Calendar. The motion passed unanimously with Rep. Briscoe absent for the vote.

Vice Chair Sagers assumed the chair.

H.B. 43 Water Rights - Change Application Amendments (Rep. K. McIff)

Rep. McIff explained the bill to the committee. "Water Ownership" and bottled water were distributed to the committee.

Spoke for the bill: Steven Clyde, ClydeSnow Attorneys at Law
Redge Johnson, citizen

Spoke to the bill: Kent Jones, State Engineer, Division of Water Rights

Spoke against the bill: Keith Meikle, Utah Association of Irrigation and Canal Companies
Sterling Brown, Utah Farm Bureau
Norman Jensen, Gunnison Irrigation Company
Eldon Packer, Lake Bottom Irrigation Company
Jay Humphrey, Emery Water Conservancy District

Rep. McKell and Rep. Brown declared conflicts of interest.

Chair Perry resumed the chair.

MOTION: Rep. Noel moved to adopt 2nd Sub. H.B. 43. The motion passed unanimously with Rep. Briscoe and Rep. Powell absent for the vote.

MOTION: Rep. Noel moved to amend the bill as follows:

1. *Page 12, Lines 341 through 344:*

341 (b) "Water company" means, except as described in Subsection (1)(c), any
company,
342 operating for profit or not for profit, [~~in which~~] where a shareholder has the right to
receive a
343 proportionate share, based on that shareholder's ownership interest, of water rights
delivered by the
344 company.

2. *Page 12, Lines 354 through 356:*

354 (2) (a) A shareholder who seeks to file a change application under Section 73-3-3 to
355 make a change to some or all of the water rights represented by the shareholder's

shares in a water
356 company shall:

3. *Page 15, Lines 429 through 435:*

429 (5) (a) If the water company declines to consent to the proposed change application,
430 stating its reasons, {~~or the water company consents to the proposed change subject~~
to conditions
431 to which the shareholder does not agree, the shareholder may:
432 ~~—(f)}~~ **the shareholder may** file an action in district court, seeking court review
of the reasonableness of the
433 conditions imposed for giving consent or the reasons stated for declining consent and a
final
434 order allowing the shareholder to file the proposed change application with the state
engineer {~~;~~
435 ~~or}~~ .

4. *Page 15, Lines 436 through 438:*

436 {~~(f)}~~ **(b) If the water company consents to the proposed change subject**
to conditions to which the shareholder does not agree, the shareholder may file
the change application with the state engineer as provided in Subsection (6),
437 without waiving the shareholder's right to contest conditions {~~imposed by the water~~
company}
438 before the state engineer **that are within the state engineer's jurisdiction** or
contest intracorporate issues before the district court on de novo judicial review.

5. *Page 17, Lines 491 through 494:*

491 (10) By mutual agreement only, and when the shares will rely upon a different
492 diversion and delivery system, the {~~state engineer}~~ **water company and the**
shareholder may negotiate a buyout from the water
493 company that may include a pro rata share of the water company's existing indebtedness
494 assignable to the shares.

The motion passed unanimously with Rep. Briscoe and Rep. Powell absent for the vote.

MOTION: Rep. Noel moved to pass the bill out favorably as amended.

SUBSTITUTE MOTION: Rep. Sandall moved to hold the bill. The motion failed with Rep. Chew, Rep. Draxler, Rep. Sagers, and Rep. Sandall voting in favor and Rep. Briscoe absent for the vote.

The original motion passed with Rep. Chew, Rep. Draxler, Rep. Sagers, and Rep. Sandall voting in opposition and Rep. Briscoe absent for the vote.

H.B. 58 Change Application Modifications (*Rep. K. Grover*)

This bill was not considered.

H.B. 258 Employee Classification Amendments (*Rep. S. Chew*)

This bill was not considered.

S.B. 66 Unauthorized Activity on State Land (*Sen. M. Dayton*)

This bill was not considered.

1st Sub. S.B. 89 Aquatic Invasive Species Fee (*Sen. S. Jenkins*)

This bill was not considered.

MOTION: Rep. Powell moved to adjourn the meeting. The motion passed unanimously with Rep. Briscoe absent for the vote.

Chair Perry adjourned the meeting at 9:50 a.m.

Lee B. Perry, Chair