

**SECONDARY WATER METERING REQUIREMENTS**

2019 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Jacob L. Anderegg**

House Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill addresses the metering of pressurized secondary water.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ requires a secondary water supplier to report certain information to the Division of Water Rights each year;
- ▶ requires a secondary water provider:
  - that begins providing new secondary water services to certain users on or after July 1, 2019, to meter the use of water;
  - to meter the use of all of the secondary water provider's commercial, industrial, institutional, and residential users by 2030;
  - to develop and submit to the Division of Water Rights a strategy for meeting the 2030 metering requirement; and
  - to provide educational material to certain users;
- ▶ authorizes the Division of Water Rights to make, in conjunction with the Division of Water Resources, rules regarding the requirements of and the procedure for submitting a required report or strategy;
- ▶ requires a secondary water supplier to finance at least 50% of the total cost to meet secondary water metering requirements through means other than those provided for



28 in this bill;

29       ▶ requires the Board of Water Resources to make \$10,000,000 in loans available each  
30 year for the financing of secondary water metering;

31       ▶ authorizes the Board of Water Resources and the Division of Water Resources to  
32 make rules regarding loans for financing secondary water metering;

33       ▶ creates the Secondary Water Metering Restricted Account (account);

34       ▶ requires the Division of Water Resources to make grants from the account to assist  
35 secondary water suppliers finance metering the use of secondary water; and

36       ▶ authorizes the Division of Water Resources to make rules for the administration of  
37 the account.

38 **Money Appropriated in this Bill:**

39       None

40 **Other Special Clauses:**

41       None

42 **Utah Code Sections Affected:**

43 ENACTS:

44       **73-10-34**, Utah Code Annotated 1953

45       **73-10-35**, Utah Code Annotated 1953



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

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

49       **73-10-34. Secondary water metering.**

50       (1) As used in this section:

51       (a) "Board" means the Board of Water Resources created in Section [73-10-1.5](#).

52       (b) (i) "Commercial user" means a secondary water user that is a place of business.

53       (ii) "Commercial user" does not include a multi-family residence, an agricultural user,  
54 or a customer that falls within the industrial or institutional classification.

55       (c) "Connection" means a connection between a pressurized secondary water supply  
56 system and a user.

57       (d) (i) "Industrial user" means a secondary water user that manufactures or produces  
58 materials.

59 (ii) "Industrial user" includes a manufacturing plant, an oil and gas producer, and a  
60 mining company.

61 (e) (i) "Institutional user" means a secondary water user that is dedicated to public  
62 service, regardless of ownership.

63 (ii) "Institutional user" includes a school, church, hospital, park, golf course, and  
64 government facility.

65 (f) (i) "Residential user" means a secondary water user in a residence.

66 (ii) "Residential user" includes a single-family or multi-family home, apartment,  
67 duplex, twin home, condominium, or planned community.

68 (g) "Secondary water" means water that is:

69 (i) not culinary or agricultural water; and

70 (ii) delivered to and used by an end consumer for the irrigation of landscaping or a  
71 garden.

72 (h) "Secondary water supplier" means an entity that supplies pressurized secondary  
73 water.

74 (2) A secondary water supplier that begins providing new service on or after July 1,  
75 2019, to a commercial, industrial, institutional, or residential user shall meter the use of  
76 pressurized secondary water by the user receiving new service.

77 (3) (a) Each secondary water supplier that supplies pressurized secondary water to a  
78 commercial, industrial, institutional, or residential user shall meter the use of the pressurized  
79 secondary water by 2030.

80 (b) Each secondary water supplier shall finance at least 50% of the supplier's total cost  
81 to comply with this Subsection (3) without the use of:

82 (i) a loan described in Subsection (6); or

83 (ii) a grant described in Section [73-10-35](#).

84 (4) A secondary water supplier shall:

85 (a) on or before March 31 of each year, report to the Division of Water Rights:

86 (i) for commercial, industrial, institutional, and residential users whose pressurized  
87 secondary water use is metered, the number of acre feet of pressurized secondary water the  
88 secondary water supplier supplied to the commercial, industrial, institutional, and residential  
89 users during the preceding 12-month period;

90 (ii) the number of secondary water meters within the secondary water supplier's service  
91 boundary;  
92 (iii) a description of the secondary water supplier's service boundary;  
93 (iv) the number of connections in each of the following categories through which the  
94 secondary water supplier supplies pressurized secondary water:  
95 (A) commercial;  
96 (B) industrial;  
97 (C) institutional; and  
98 (D) residential;  
99 (v) for each size of connection, the number of connections in that size through which  
100 the secondary water supplier supplies pressurized secondary water; and  
101 (vi) the dates of service during the preceding 12-month period in which the secondary  
102 water supplier supplied pressurized secondary water;  
103 (b) on or before March 31, 2020, develop and submit to the Division of Water Rights  
104 the secondary water supplier's strategy to comply with the metering requirement described in  
105 Subsection (3); and  
106 (c) each month that the secondary water supplier provides service, provide each of the  
107 secondary water supplier's metered commercial, industrial, institutional, and residential users  
108 with educational material regarding the user's pressurized secondary water use that shall  
109 include:  
110 (i) the user's pressurized secondary water use in relation to others in the area; and  
111 (ii) one or more suggestions for conserving pressurized secondary water use.  
112 (5) The Division of Water Rights in conjunction with the Division of Water Resources  
113 shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking  
114 Act, establishing:  
115 (a) the requirements of and the procedure for submitting a report under Subsection  
116 (4)(a); and  
117 (b) the requirements of and the procedure for submitting a strategy under Subsection  
118 (4)(b).  
119 (6) (a) Beginning July 1, 2019, and ending June 30, 2030, the board shall make  
120 \$10,000,000 in loans available each year:

121 (i) from the Water Conservation and Development Fund, created in Section 73-10-24;

122 and

123 (ii) for financing the remaining cost of secondary water metering as described in

124 Subsection (3).

125 (b) The Division of Water Resources shall ensure that:

126 (i) in accordance with Subsection (3), the total amount available to a secondary water  
127 supplier through:

128 (A) a loan described in this Subsection (6) does not exceed 50% of the supplier's total  
129 cost to comply with Subsection (3);

130 (B) a grant described in Section 73-10-35 does not exceed 16.5% of the supplier's total  
131 cost to comply with Subsection (3); and

132 (C) a combination of a loan described in this Subsection (6) and a grant described in  
133 Section 73-10-35 does not exceed 50% of the supplier's total cost to comply with Subsection  
134 (3); and

135 (ii) for the purpose of determining the amount of a loan under this Subsection (6) or a  
136 grant described in Section 73-10-35, the calculation of a secondary water supplier's total cost to  
137 comply with Subsection (3) includes secondary water metering costs the secondary water  
138 supplier:

139 (A) incurs in or before May 2019; or

140 (B) finances through a loan, bond, grant, subsidy, program, or any other means not  
141 described in this Subsection (6) or Section 73-10-35.

142 (c) The Division of Water Resources and board shall make rules in accordance with  
143 Title 63G, Chapter 3, Utah Administrative Rulemaking Act establishing the criteria and  
144 process for receiving a loan described in this Subsection (6).

145 (7) A commercial, industrial, institutional, or residential user may not use culinary  
146 water for the regular irrigation of landscaping or a garden, if:

147 (a) the user has a connection to secondary water;

148 (b) the user's area is served with both culinary and secondary water; and

149 (c) the user's secondary water rates exceed the user's culinary water rates.

150 Section 2. Section 73-10-35 is enacted to read:

151 **73-10-35. Creation of Secondary Water Metering Restricted Account --**

152 **Awarding of grants from the restricted account.**

153 (1) There is created with the General Fund a restricted account known as the Secondary  
154 Water Metering Restricted Account.

155 (2) The restricted account consists of:

156 (a) any voluntary contributions received;

157 (b) appropriations the Legislature makes to the restricted account; and

158 (c) interest accrued pursuant to Subsection (3)(b).

159 (3) The state treasurer shall:

160 (a) invest the money in the restricted account by following the procedures and  
161 requirements of Title 51, Chapter 7, State Money Management Act; and

162 (b) deposit all interest or other earnings derived from those investments into the  
163 restricted account.

164 (4) Upon appropriation from the Legislature, the Division of Water Resources shall  
165 make grants from the Secondary Water Metering Restricted Account:

166 (a) to assist secondary water suppliers, as defined in Section [73-10-34](#), comply with  
167 Subsection [73-10-34](#)(3);

168 (b) beginning July 1, 2019, and ending June 30, 2030, in the total amount of up to  
169 \$5,000,000 each year; and

170 (c) in accordance with Subsection [73-10-34](#)(6)(b).

171 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
172 Division of Water Resources shall make rules establishing:

173 (a) criteria for awarding grants under this section; and

174 (b) criteria for determining eligibility for assistance under this section.