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Water Rights Applications Amendments

2025 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Doug Owens

Senate Sponsor: Evan J. Vickers

2 3 **LONG TITLE** 4 **General Description:** 5 This bill addresses applications before the state engineer. 6 **Highlighted Provisions:** 7 This bill: 8 • addresses time frames related to reinstatement of a lapsed application; and 9 makes technical changes. 10 **Money Appropriated in this Bill:** 11 None 12 **Other Special Clauses:** 13 None 14 **Utah Code Sections Affected:** 15 AMENDS: 16 73-3-18, as last amended by Laws of Utah 2021, Chapter 81 17 18 *Be it enacted by the Legislature of the state of Utah:* 19 Section 1. Section **73-3-18** is amended to read: 20 73-3-18. Lapse of application -- Notice -- Reinstatement -- Priorities --

21 Assignment of application -- Filing and recording -- Constructive notice -- Effect of

failure to record.

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- 23 (1) If an application lapses for failure of the applicant to comply with a provision of this
- 24 title or an order of the state engineer, the state engineer shall promptly give notice of the
- lapse to the applicant by regular mail, or send notice electronically if receipt is verifiable.
- 26 (2) [Within 60 days after notice of a lapse described in Subsection (1), the]
- 27 (a) The state engineer may, upon a showing of reasonable cause, reinstate [the
- 28 application with] a lapsed application if, no later than 60 days after the state engineer

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| 29 | mails or sends electronically the notice of lapse described in Subsection (1), the |
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| 30 | applicant files: |
| 31 | (i) a request to reinstate the application using a reinstatement form provided by the |
| 32 | state engineer; and |
| 33 | (ii) a request for an extension of time under Section 73-3-12. |
| 34 | (b) Except as provided in Subsection (2)(c), the state engineer shall change the date of |
| 35 | priority [changed] of a reinstated application to the date [of] the request for |
| 36 | reinstatement was filed. |
| 37 | [(3)] (c) The original priority date of a lapsed application may not be reinstated, except |
| 38 | upon a showing of [fraud or]mistake of the state engineer or fraud. |
| 39 | [(4)] (3) Except as provided in Section 73-3-5.6, Section 73-3-12, Section 73-3-20, or |
| 40 | Subsection (2), the priority of an application is determined by the day on which the state |
| 41 | engineer's office receives the written application. |
| 42 | [(5)] (4) Before the state engineer issues a certificate of appropriation, a right claimed under |
| 43 | an application for the appropriation of water may be assigned by a written instrument, |
| 44 | including by use of a form provided by the state engineer's office. |
| 45 | [(6)] (5)(a) An instrument assigning a right described in Subsection $[(5)]$ (4) shall be |
| 46 | recorded in the office of the applicable county recorder to provide notice of the |
| 47 | instrument's contents. |
| 48 | (b) Beginning July 1, 2017, the state engineer shall consider an assignment using the |
| 49 | state engineer's form described in Subsection [(5)] (4) that is recorded and forwarded |
| 50 | to the state engineer as a submitted report of water right conveyance for purposes of |
| 51 | fulfilling Subsection 73-1-10(3)(a). |
| 52 | [(7)] (6) An instrument described in Subsection $[(5)]$ (4) that is not recorded as described in |
| 53 | Subsection [(6)] (5) is void against any subsequent assignee in good faith and for |
| 54 | valuable consideration of the same application or any portion of the same application, if |
| 55 | the subsequent assignee's own assignment is recorded as described in Subsection [(6)] (5) |
| 56 | first. |
| 57 | Section 2. Effective date. |
| 58 | This bill takes effect on May 7, 2025. |