

Agricultural Water Optimization Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David Shallenberger

Senate Sponsor: Scott D. Sandall

LONG TITLE

General Description:

This bill addresses agricultural water optimization.

Highlighted Provisions:

This bill:

- allows the Agricultural Water Optimization Committee to use certain money to fund research;
- modifies eligibility requirements related to grants for agricultural water optimization; and
- makes technical and conforming amendments.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

73-10g-204, as last amended by Laws of Utah 2023, Chapter 261

73-10g-205, as last amended by Laws of Utah 2024, Chapter 233

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

Section 1. Section **73-10g-204** is amended to read:

73-10g-204 . Agricultural Water Optimization Account.

- (1) There is created a restricted account within the General Fund called the "Agricultural Water Optimization Account."
- (2) The account consists of:
 - (a) appropriations from the Legislature;
 - (b) federal funds; and

(c) grants or donations from other public or private sources.

(3) Subject to appropriation, the conservation commission may use money in the account to:

(a) issue grants in accordance with Section 73-10g-206 to improve agricultural water optimization[-] ; and

(b) fund research approved by the committee under Subsection 73-10g-205(7).

(4) Until December 31, 2024, the department may loan up to \$3,000,000 of General Fund money in the account to the Agriculture Resource Development Fund, subject to the conditions described in Section 4-18-106.

(5)(a) The department shall maintain the account and record the debits and credits made to the account by the department.

(b) The Office of the Treasurer shall deposit interest and other earnings derived from investment of money in the account into the account.

(6) The department and the Department of Natural Resources may use money in the account for the administration of this part, except that the aggregate amount expended under this Subsection (6) may not exceed 1.5% of the money appropriated to the grant program described in Section 73-10g-206.

Section 2. Section **73-10g-205** is amended to read:

73-10g-205 . Agricultural Water Optimization Committee.

(1) There is created in the department a committee known as the "Agricultural Water Optimization Committee" that consists of:

(a) the commissioner of the department, or the commissioner's designee;

(b) the director of the division, or the director's designee;

(c) the director of the Division of Water Rights, or the director's designee;

(d) the dean of the College of Agriculture and Applied Science from Utah State University, or the dean's designee;

(e) one individual representing local conservation districts created by Title 17D, Chapter 3, Conservation District Act, appointed by the executive director of the Department of Natural Resources;

(f) one individual representing water conservancy districts, appointed by the executive director of the Department of Natural Resources; and

(g) three Utah residents representing the interests of the agriculture industry appointed by the executive director of the Department of Natural Resources.

(2)(a) An individual appointed under Subsection (1) shall serve for a term of four years.

(b) Notwithstanding the requirements of Subsection (2)(a), the executive director of the

Department of Natural Resources shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of appointed members are staggered so that approximately half of the appointed members are appointed every two years.

(3)(a) The presence of five members constitutes a quorum.

(b) The vote of five members constitutes the transaction of business by the committee.

(c) The committee shall select one of the committee's members to be chair. The committee may select a member to be vice chair to act in place of the chair:

(i) during the absence or disability of the chair; or

(ii) as requested by the chair.

(d) The committee shall convene at the times and places prescribed by the chair.

(4) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

(a) Section 63A-3-106;

(b) Section 63A-3-107; and

(c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

(5) The department shall provide administrative support to the committee.

(6) The committee shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, establishing:

(a) eligibility requirements for a grant issued under Section 73-10g-206, except that the eligibility requirements shall:

(i) require at least a match for grant money of 50% of the total costs, except that for a grant application filed on or after January 1, 2024, the eligibility requirements shall require at least a match of 25% of the total costs for:

(A) a subsurface drip [or automated surge] irrigation project;

(B) an automated surge irrigation project; or

(C) a measurement, telemetry, or reporting project;

(ii) consider the statewide need to distribute grant money;

(iii) require a grant recipient to construct or install and maintain one or more measuring devices as necessary to comply with Section 73-5-4 and rules adopted by the Division of Water Rights regarding installation, use, and maintenance of devices to measure water use and to demonstrate water use in accordance with a project funded by a grant; and

- 97 (iv) require a grant recipient to report water diversion and use measurements to the
98 state engineer pursuant to Section 73-5-4 and rules made by the state engineer, in
99 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for
100 water measurement and reporting;
- 101 (b) the process for applying for a grant issued under Section 73-10g-206; and
- 102 (c) preliminary screening criteria to be used by the department under Subsection
103 73-10g-206(2)(d).
- 104 (7) The committee shall, in coordination with the division:
- 105 (a) as of July 1, 2023, assume oversight of all remaining research and contracts of the
106 previous Agricultural Water Optimization Task Force activities;
- 107 (b) post research to address and account for farm economics at the enterprise and
108 community level that affects agricultural water optimization and encourage market
109 behavior that financially rewards agricultural water optimization practices;
- 110 (c) oversee research to identify obstacles to and constraints upon optimization of
111 agricultural water use, and to recommend management tools, technologies, and other
112 opportunities to optimize agricultural water use as measured at the basin level; ~~and~~
- 113 (d) use money in the account to fund research approved by the committee that:
- 114 (i) is described in Subsection (7)(b) or (c); or
- 115 (ii) establishes methods for measuring saved water or the effectiveness of the
116 agricultural water optimization funding programs established by this part; and
- 117 ~~[(d)]~~ (e) facilitate benefits for farmers who optimize water use and protect water quality.
- 118 (8) The committee shall comply with Section 73-10g-206 related to grants issued under this
119 part.

120 **Section 3. Effective Date.**

121 This bill takes effect on May 7, 2025.