

**Keven J. Stratton** proposes the following substitute bill:

## Drinking Water Restructuring Amendments

## 2026 GENERAL SESSION

# STATE OF UTAH

## **Chief Sponsor: Carl R. Albrecht**

Senate Sponsor: Keven J. Stratton

## LONG TITLE

### **General Description:**

This bill addresses violations of the Safe Drinking Water Act.

## **Highlighted Provisions:**

This bill:

- ▶ creates and modifies terms;
- ▶ allows a court to:

- appoint a receiver for a supplier of a public water system to implement a corrective or remedial action for a violation of the Safe Drinking Water Act (SDWA) or compliance order; and

- require a violator to divest ownership of the public water system to ensure long-term compliance with SDWA;

- requires the director of the Division of Drinking Water to report to a legislative committee if the director brings a civil action that may result in a receivership or divestment for a public water system supplier; and

- makes technical and conforming changes.

## **Money Appropriated in this Bill:**

None

## Other Special Clauses:

None

## Utah Code Sections Affected:

## AMENDS:

**19-4-106**, as last amended by Laws of Utah 2023, Chapter 238

19-4-109, as last amended by Laws of Utah 2025, First Special Session, Chapter 16

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

29       Section 1. Section **19-4-106** is amended to read:

30       **19-4-106 . Director -- Appointment -- Authority -- Duties.**

31       (1) The executive director shall appoint the director. The director shall serve under the  
32       administrative direction of the executive director.

33       (2) The director shall:

34           (a) develop programs to promote and protect the quality of the public drinking water  
35           supplies of the state;

36           (b) advise, consult, and cooperate with other agencies of this and other states, the federal  
37           government, and with other groups, political subdivisions, and industries in  
38           furtherance of the purpose of this chapter;

39           (c) review plans, specifications, and other data pertinent to proposed or expanded water  
40           supply systems to ensure proper design and construction; [and]

41           (d) subject to the provisions of this chapter, enforce rules made by the board through the  
42           issuance of orders that may be subsequently revoked, which orders may require:

43              (i) discontinuance of use of unsatisfactory sources of drinking water;

44              (ii) suppliers to notify the public concerning the need to boil water; or

45              (iii) suppliers in accordance with existing rules, to take remedial actions necessary to  
46              protect or improve an existing water system; and

47           (e) as authorized by the board and subject to the provisions of this chapter, act as  
48              executive secretary of the board under the direction of the chair of the board.

49       (3) The director may authorize employees or agents of the department, after reasonable  
50       notice and presentation of credentials, to enter any part of a public water system at  
51       reasonable times to inspect the facilities and water quality records required by board  
52       rules, conduct sanitary surveys, take samples, and investigate the standard of operation  
53       and service delivered by public water systems.

54       (4) As provided in this chapter and in accordance with rules made by the board, the director  
55       may:

56           (a) issue and enforce a notice of violation and an administrative order; and

57           (b) assess and make a demand for payment of an administrative penalty arising from a  
58              violation of this chapter, a rule or order issued under the authority of this chapter, or  
59              the terms of a permit or other administrative authorization issued under the authority  
60              of this chapter.

61       (5) If the director brings a civil action under Subsection 19-4-109(8) that may result in a  
62       court order for a receivership or divestment described in Subsection 19-4-109(8)(c), the

63 director shall report the status of the civil action to:

64 (a) if the Legislature is not in session, the chairs of the Natural Resources, Agriculture,  
65 and Environment Interim Committee; or  
66 (b) if the Legislature is in session, the chair of the House Natural Resources,  
67 Agriculture, and Environment Committee and the chair of the Senate Natural  
68 Resources, Agriculture, and Environment Committee.

69 [(5)(a) The director shall study how water providers, municipalities, counties, and state  
70 agencies may find greater efficiencies through improved coordination, consolidation,  
71 and regionalization related to:]

72 [(i) water use and conservation; and]

73 [(ii) administrative and economic efficiencies.]

74 [(b) The study under this Subsection (5) shall consider recommendations including  
75 incentives, funding, regulatory changes, and statutory changes to promote greater  
76 coordination and efficiency and to help meet water infrastructure needs statewide.]

77 [(e) The director shall:]

78 [(i) conduct the study in conjunction with the Division of Water Resources; and]

79 [(ii) consult with a diverse group consisting of water providers, state agencies, local  
80 governments, and relevant stakeholders to help the director conduct the study and  
81 develop recommendations described in this Subsection (5).]

82 [(d) On or before October 30, 2024, the director shall provide a written report of the  
83 study's findings, including any recommended legislative action, to the Natural  
84 Resources, Agriculture, and Environment Interim Committee.]

85 Section 2. Section **19-4-109** is amended to read:

86 **19-4-109 . Violations -- Penalties -- Reimbursement for expenses.**

87 (1) As used in this section[,]:

88 (a) ["criminal"] "Criminal negligence" means the same as that term is defined in Section  
89 76-2-103.

90 (b) "Receiver" means an individual appointed by the court as the court's agent to take  
91 possession of, manage, and, if authorized by this section or court order, transfer, sell,  
92 divest, lease, license, exchange, collect, or otherwise dispose of receivership property.

93 (2)(a) A person [who] that violates this chapter, a rule or order issued under the authority  
94 of this chapter, or the terms of a permit or other administrative authorization issued  
95 under the authority of this chapter is subject to an administrative penalty:

96 (i) not to exceed \$1,000 per day per violation, with respect to a public water system

serving a population of less than 10,000 individuals; or

(ii) exactly \$1,000 per day per violation, with respect to a public water system serving a population of more than 10,000 individuals.

(b) In all cases, each day of violation is considered a separate violation.

(3) The director may assess and make a demand for payment of an administrative penalty under this section and may compromise or settle that penalty.

(4) To make a demand for payment of an administrative penalty assessed under this section, the director shall issue a notice of agency action, specifying, in addition to the requirements for notices of agency action contained in Title 63G, Chapter 4, Administrative Procedures Act:

(a) the date, facts, and nature of each act or omission charged;

(b) the provision of the statute, rule, order, permit, or administrative authorization that is alleged to have been violated;

(c) each penalty that the director proposes to assess, together with the amount and date of effect of that penalty; and

(d) that failure to pay the penalty or respond may result in a civil action for collection.

- (5) A person notified according to Subsection (4) may request an adjudicative proceeding.
- (6) Upon request by the director, the attorney general may institute a civil action to collect a penalty assessed under this section.

(7)(a) A person who, with criminal negligence, violates any rule or order made or issued pursuant to this chapter, or with criminal negligence fails to take corrective action required by an order, is guilty of a class B misdemeanor and subject to a fine of not more than \$5,000 per day for each day of violation.

(b) In addition, the person is subject, in a civil proceeding, to a penalty of not more than \$5,000 per day for each day of violation.

(8)(a) The director may bring a civil action for appropriate relief, including a permanent or temporary injunction, for a violation for which the director is authorized to issue a compliance order under Subsection 19-4-106(2)(d) or Section 19-4-107.

(b) Notwithstanding Title 78B, Chapter 3a, Venue for Civil Actions, the director shall bring an action under this Subsection (8) in the county where the violation occurs if the director brings the action in a district court.

(c) In a civil action brought by the director under Subsection (8)(a), a court may:

(i) appoint a receiver for a supplier in accordance with Utah Rules of Civil Procedure, Rule 66, to implement a corrective or remedial action for a violation described in

131                   Subsection (8)(a) if:

132                   (A) the violation poses a serious public health risk; and

133                   (B) the supplier in violation is unwilling or unable to implement a corrective or  
134                   remedial action to resolve the violation in a manner consistent with this  
135                   chapter; and

136                   (ii) require a supplier in violation to divest ownership of a public water system if the  
137                   court finds divestiture is reasonably necessary to ensure long-term compliance  
138                   with this chapter.

139                   (d) Nothing in Subsection (8)(c) limits the ability of the director to seek appropriate  
140                   relief under Subsection (8)(a).

141 (9)(a) The attorney general is the legal advisor for the board and the director and shall  
142 defend them in an action or proceeding brought against the board or director.

143 (b) The county attorney or district attorney, as appropriate under Section 17-68-302 or  
144 17-68-303, in the county in which a cause of action arises, shall bring an action, civil  
145 or criminal, requested by the director, to abate a condition that exists in violation of,  
146 or to prosecute for the violation of, or to enforce the laws or the standards, orders,  
147 and rules of the board or the director issued under this chapter.

148 (c) The director may initiate action under this section and be represented by the attorney  
149 general.

150 (10) If a person fails to comply with a cease and desist order that is not subject to a stay  
151 pending administrative or judicial review, the director may initiate an action for and be  
152 entitled to injunctive relief to prevent further or continued violation of the order.

153 (11) A bond may not be required for injunctive relief under this chapter.

154 (12)(a) Except as provided in Subsection (12)(b), a penalty assessed and collected under  
155 the authority of this section shall be deposited into the General Fund.

156 (b) The department may reimburse itself and local governments from money collected  
157 from civil penalties for extraordinary expenses incurred in environmental  
158 enforcement activities.

159 (c) The department shall regulate reimbursements by making rules that define:  
160                   (i) qualifying environmental enforcement activities; and  
161                   (ii) qualifying extraordinary expenses.

162                   **Section 3. Effective Date.**

163                   This bill takes effect on May 6, 2026.