

Rule Against Perpetuities Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Troy Shelley

Senate Sponsor: Derrin R. Owens

LONG TITLE**General Description:**

This bill amends provisions relating to the rule against perpetuities.

Highlighted Provisions:

This bill:

- defines terms;
- provides that a water right subordination agreement does not create a nonvested right for purposes of the rule against perpetuities; and
- provides that the provisions this bill enacts apply retroactively.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

75-2-1210, Utah Code Annotated 1953

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

Section 1. Section **75-2-1210** is enacted to read:

75-2-1210 . Water right subordination agreements not subject to the rule against perpetuities.

(1) As used in this section:

(a) "Person with control of a water right" means:

(i) the holder of a water right approved by the state engineer in accordance with Title 73, Chapter 3, Appropriation;

(ii) the record owner of a perfected water right; or

(iii) a person who has written authorization from a person described in Subsection

(1)(a)(i) or (ii) to enter into a water right subordination agreement.

(b) "Water right" means:

(i) a right to use water evidenced by any means identified in Section 73-1-10; or

(ii) a right under an application that the state engineer approves under Title 73,

Chapter 3, Appropriation:

(A) to appropriate water;

(B) for a change of use of water; or

(C) for the exchange of water.

(c) "Water right subordination agreement" means a written agreement in which a person

with control of a water right consents to a water right standing in order of priority

behind one or more water rights that would otherwise be junior in priority.

(2) A water right subordination agreement does not create a nonvested property interest that is subject to:

(a) this chapter; or

(b) the common law rule against perpetuities.

(3) This section applies retroactively.

Section 2. Effective Date.

This bill takes effect on May 6, 2026.